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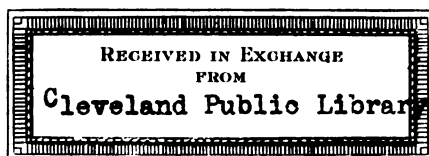
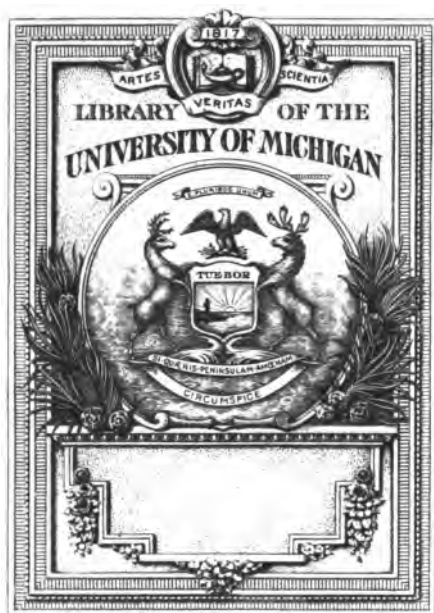
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PROCEEDINGS
OF THE
THIRTY-EIGHTH ANNUAL MEETING
OF THE
NATIONAL
BOARD OF TRADE
HELD IN WASHINGTON
JANUARY, 1908



PHILADELPHIA
JOHN R. McFETRIDGE & SONS, PRINTERS, 927 ARCH STREET
1908

TABLE OF CONTENTS.

	PAGE
INTRODUCTORY NOTE	V
CONSTITUTION AND BY-LAWS	XI
MEETINGS OF THE NATIONAL BOARD OF TRADE	XIX
MEMBERSHIP, 1908	XXI
ASSOCIATE MEMBERS, 1908	XXIII
OFFICERS, 1908	XXV

PROCEEDINGS AT THE ANNUAL MEETING.

FIRST DAY:

Morning Session:

List of Delegates	2
Opening Address of the President	6
Report of the Council	11
Report of Treasurer	17
Official Programme	18
Appointment of Committees	56
Report of Commissioner	60

SECOND DAY:

Morning Session:

Report on Trade with South America	62
Report on Uniform Bill of Lading	65
Report of Committees on Rivers and Harbors	72
Department of Construction Work	76
Report of Committee on Customs Administrative Act and the Drawback System	87
Report of Committee on American Merchant Marine	95
Report of Committee on International Arbitration	101
Address of Jas. Brown Scott, Esq.	102
Report of Committee on Immigration	108
Resolution as to Civil Service for the Thirteenth Census	110

Afternoon Session:

Nomination and Election of Officers	112
Report of Committee on Postal Affairs	115

	PAGE
Report of Committee on Parcels Post	123
Report of Committee on National Currency	164
Report of Committee on International Arbitration	174

THIRD DAY:

Morning Session:

Resolution on Military Training in the Schools	177
Report of Committee on Postal Savings Banks	182
Report of Committee on Tariff and Reciprocity	186
Report of Committee on Consular Service	192
Report of Committee on Interstate Commerce	193
Report of Committee on Forestry and Irrigation	194
Election of the Council	217
Report of Committee on Federal Inspection of Grain	220
Report of Committee on Corporation Legislation	220
Resolution on Experimental Cold Storage Plant	222
Resolution on Pure Food and Drugs	222
Resolution on Commercial Education	225

Banquet:

Address of President Frank D. La Lanne	227
Address of Hon. C. W. Fairbanks, Vice-President of the United States	228
Address of His Excellency Baron Edmondo Mayer Des Planches, Italian Ambassador	233
Address of Hon. Oscar S. Straus, Secretary Department Commerce of Labor	236
Address of Hon. Francis G. Newlands.....	240
Address of Hon. Jos. G. Cannon	251
Address of Hon. J. Hampton Moore	259

INTRODUCTORY NOTE

The Thirty-eighth Annual Meeting of the National Board of Trade can be safely characterized as one in which the greatest interest was taken by the delegates attending.

The Official Programme also proved conclusively, by the topics suggested, that there is much requiring the careful consideration of the Board in its efforts for the betterment of business conditions and the advancement of those interests which tend to place and keep the United States in the foremost rank as a world power in trade and commerce.

The temptation to refer in detail to the business of the meeting is great, but space will not permit and only the salient features are here alluded to.

In considering the report of the Committee on Forestry and Irrigation, an interesting address was made by Mr. GEORGE H. MAXWELL, an associate member of the Board, and a pioneer in the movement for a broader and wiser National policy in dealing with the questions of irrigation, the reclamation of arid lands and the preservation of the forests.

In opening he said: "The National Board of Trade has been for so many years an earnest and consistent advocate of a great National forestry and irrigation policy, and so much progress has been made along the lines that you have favored in your resolutions in the past, that I am sure you will be interested to know somewhat more in detail the exact facts showing what remains to be done to insure the full success of the movement for forestry, irrigation and the necessary reforms in the public land laws."

He followed this by a succinct history of the work of the reclamation service and an emphatic warning as to the danger of apathy on part of the country as to fraudulent acquisition of land by others than those who desire to build homes.

The remedies suggested by the committee were set forth in the resolutions adopted.

The report of the committee and the discussion thereon were ordered to be printed in pamphlet form and sent to the active and important trade organizations of the country.

The question of a parcels post again claimed the attention of the Board, under suggestions appearing on the Official Programme. The committee to which this topic was referred failed to agree upon one

report, but submitted two, which were considered as affirmative and negative reports. The first-named favored the establishment of the parcels post upon rural free delivery routes as recommended by the Postmaster-General in his annual report for the year ending June 30, 1907, while the negative side "was opposed to any legislation looking to the establishment of a parcels carrying system in connection with the Post-office Department at this time."

The discussion proved long and interesting, but the advocates of neither report were sufficiently numerous to secure its adoption by the necessary two-thirds vote. The differences of opinion still remain and the question was undecided, no official expression being given.

The question of amending the currency and banking laws secured the earnest attention of the meeting and resulted in the passage of a resolution recommending that Section 9, of the law of July 12, 1882, restricting the issue and retirement of National bank circulation, be repealed. The meeting also favored the issue of a properly safeguarded National bank emergency currency, without the deposit of any bonds, under rules and regulations to be established by the Comptroller of the Currency, with the approval of the Secretary of the Treasury. This currency to be guaranteed by the Government and so taxed as to make its issuance and retirement contingent upon the emergency conditions.

At the time of issuing this annual report it is hard to say what is to be the outcome of the effort to secure some remedial legislation by Congress.

The views of the business public, as outlined by the expression given it through the action of trade and commercial organizations, seem divided, many holding that the stringency caused by hoarding having passed, no merely emergency measure is now necessary.

The Aldrich Bill, providing as a basis of an emergency currency the security of bonds other than National bonds, such as State, county and municipal bonds (railroad bonds, which were originally named, having been withdrawn), is being strongly opposed largely on the ground of furnishing only temporary relief and not going to the root of the evil.

The Fowler Bill, providing for the gradual change of all existing currency issued into one character of note with an accumulation of a gold fund as the ultimate basis of the entire issue of paper, is finding many advocates as to the principle involved, but as it provides such a radical change from the present established system to an experimental one, the more conservative hesitate before indorsing the measure in its present form, awaiting rather a more extended study and discussion of the bill.

Perhaps it were wiser to secure a crystallization of opinion upon the crucial questions whether the country is ready to adopt some further makeshift legislation or prepared to consider a thorough revolution-

izing of established conditions by the adoption of a financial system modeled after those of other nations which has been found to meet satisfactorily the demands of commerce and the needs of its people under all conditions, normal and during the press of financial disturbance.

While considerable time was given the discussion of the foregoing subjects, yet others such as the American merchant marine, Consular Service, corporation legislation and improvement of rivers and harbors received careful consideration, as shown by the action taken thereon in the resolutions adopted. While many instructive addresses were made during the discussions of the reports submitted, it may not seem out of place to mention the explanation of the conditions surrounding the American merchant marine in its competition with that of other nations offered by Mr. WM. HARRIS DOUGLASS, a delegate from the New York Produce Exchange, a former member of Congress and closely associated with the export trade of the port of New York.

While discussing the question of international arbitration, the Board was favored with an address by James Brown Scott, Esq., Solicitor for the Department of State. Mr. Scott was a delegate from the United States to The Hague Conference. He gave a brief account of its work and the results secured, particularly dwelling upon the adoption of a project for the establishment of a court of arbitration.

The fifth annual banquet was a most signal success, not only from the standpoint of the speakers, but also from the character of their addresses, which were admirable, forceful and in thorough keeping with the occasion.

From the opening remarks of President LA LANNE to the close of the last address, marked attention was paid the speakers, and their many and telling points bearing so intimately on the broad, National work of this organization met with generous and hearty applause.

Hon. C. W. Fairbanks, Vice-President of the United States, was the first to speak and showed by his remarks that he fully appreciated the value of the National Board of Trade. He said "there is much need for such an organization as this, devoted primarily to the consideration of great questions of trade and commerce. We get on by deliberating, by thinking. It is important that we should think and act. There are a great many people who act and think." After the laughter which greeted this comparison, he said, "I see you understand the distinction."

He closed by congratulating the Board upon its achievements.

As an evidence of the cosmopolitan feeling which pervades those associated with trade and commerce, the address of His Excellency, Baron Edmondo Mayor des Planches, Italian Ambassador, was received with especial favor and was greeted with marks of high appreciation and continued applause. His text was the con-

tinued evidences of friendship between Italy and the United States, and the steadily growing exchange of the commodities of each with the other to the advantage of both.

Hon. Oscar S. Straus, Secretary of the Department of Commerce and Labor, made an interesting address, dwelling upon the functions of his Department and expressing the hope that through co-operation with the trade interests of the country of increasing its usefulness as an adjunct for the extension of our foreign commerce.

Hon. F. G. Newlands gave a lengthy and most interesting account of the work of the Inland Waterway Commission, appointed by the President, and of which he is a member. He emphasized the unbounded possibilities for the advancement of trade through the means of cheap water transportation, which would follow a broad and systematic improvement of the harbors and waterways of the country, and argued for a closer relationship between the plans of those interested in irrigation, the utilization of water power, the prevention of freshets and torrential flows of our water courses, the clarification of streams, forest preservation and all collateral subjects.

The Speaker of the House, Hon. Jos. G. Cannon, never spoke better, and he epigrammatically struck home in referring to the many phases of our National business life, Governmental methods and policies. He made it entirely clear that he fully understood his subject, and by reading between the lines one can well see that, while he listens to the arguments and petitions of those interested along special lines, they must all wait their turn, and that the treasury is to be protected and the taxpayer thought of and cared for in the appropriations to be made from time to time.

The closing address was made by Hon. J. Hampton Moore, who spoke upon the proposed inland waterway along the Atlantic seaboard.

The addresses made at the banquet are published in full and are well worth reading, as it is believed they will prove interesting and instructive.

The President, under authority of a resolution passed by the council, appointed the following Managers to serve during the current year:

JAMES F. PARKER, *Chairman*, New York Produce Exchange, New York; CAPT. W. B. RODGERS, Pittsburg Chamber of Commerce, Pittsburg; L. L. GILBERT, Montgomery Commercial Club, Montgomery, Ala.; HARRY WEISSINGER, Louisville Board of Trade, Louisville Ky.; WILLIAM D. MULLEN, Wilmington Board of Trade, Wilmington, Del.; THOS. J. BRODNAX, Kansas City Board of Trade.

WILLIAM R. TUCKER, of Philadelphia, has been continued as Secretary, and ALBERT M. READ, of No. 1140 Fifteenth street, N. W., Washington, D. C., as Commissioner.

In the continued effort to facilitate the business of the meetings and save much time heretofore given to the appointment of committees, arranging places and times of meetings, etc., a resolution

was adopted authorizing the President "to make his appointment and fix the hours and places of meetings of committees for our next session."

This may be the means of securing the result aimed at, and with the co-operation of the delegates avoid the delay and confusion incident to the committee assignments.

The next annual meeting will be held in Washington, D. C., January 19, 1909.

W. R. T.

PHILADELPHIA, March 24, 1908.

CONSTITUTION
OF THE
NATIONAL BOARD OF TRADE
ADOPTED AT PHILADELPHIA, JUNE 5, 1868
AND
AS AMENDED AT THE
THIRTY-THIRD AND THIRTY-FIFTH
ANNUAL MEETINGS
HELD IN
WASHINGTON, D. C., JANUARY, 1903 AND 1905

DECLARATION.

In order to promote the efficiency and extend the usefulness of the various Boards of Trade, Chambers of Commerce and other chartered bodies organized for general commercial purposes in the United States; in order to secure unity and harmony of action in reference to commercial usages, customs and laws, and especially in order to secure the proper consideration of questions pertaining to the financial, commercial and industrial interests of the country at large, this association, on this 5th day of June, 1868, is hereby formed by delegates now in session in the city of Philadelphia representing the following-named commercial organizations, to wit:—

Albany Board of Trade,	Denver Board of Trade,
Baltimore Board of Trade,	Detroit Board of Trade,
Boston Board of Trade,	Dubuque Produce Exchange,
Boston Corn Exchange,	Louisville Board of Trade,
Buffalo Board of Trade,	Milwaukee Chamber of Commerce,
Charleston Board of Trade,	Newark Board of Trade,
Chicago Board of Trade,	New Orleans Chamber of Commerce,
Cincinnati Chamber of Commerce,	merce,
Cleveland Board of Trade,	New York Chamber of Commerce,

New York Produce Exchange,	Richmond Chamber of Commerce,
Oswego Board of Trade,	St. Louis Board of Trade,
Peoria Merchants' Exchange,	St. Louis Union Merchants' Ex-
Philadelphia Board of Trade,	change,
Philadelphia Comm'rc'l Exchange,	St. Paul Chamber of Commerce,
Pittsburg Board of Trade,	Toledo Board of Trade,
Portland Board of Trade,	Troy Board of Trade,
Providence Board of Trade,	Wilmington (Del.) Board of Trade.

REVISION, JANUARY 13, 1903.

This association is formed for the purpose of promoting the efficiency and extending the usefulness of the various commercial and manufacturing organizations of the United States of America, securing unity and harmony of action with reference to business usages and laws, and especially the proper consideration of and concentration of opinion upon questions affecting the financial, commercial and industrial interests of the country at large, and to provide a concerted action regarding national legislative measures and governmental department affairs.

ARTICLE I.

NAME.

SECTION 1. This association shall be known and designated as the National Board of Trade.

ARTICLE II.

MEMBERSHIP.

SECTION 1. There shall be two classes of members, constituent and associate.

SEC. 2. Every commercial or manufacturing association or other body organized for general benefit in matters of public concern, and not for private purposes, shall be eligible to constituent membership in the association.

SEC. 3. Any business or professional man who is an American citizen, interested in the purposes of the National Board of Trade and who may be deemed worthy of such consideration, may be admitted to associate membership upon invitation of and election by the Board of Managers. Such associate membership shall confer the right to receive all of the publications of the Board (but shall not have the right to vote or participate in debate) and to suggest, with the approval of the Board of Managers, subjects for consideration at the annual meeting of this Board; provided, that such subjects shall be general in their character and of national significance.

SEC. 4. Every applicant for membership in this association shall present an application, accepting and agreeing to abide by the provisions of this Constitution and the By-Laws or any amendments thereto, which application shall be submitted to and acted upon by the Board of Managers, hereinafter provided for, at its first meeting subsequent to the date thereof. If the said application shall be approved by the Board of Managers the applicant becomes a member from the date of such approval and shall be promptly notified of the fact.

SEC. 5. Membership in this association shall be subject to termination or suspension as hereinafter provided.

ARTICLE III.

REPRESENTATION.

SECTION 1. Each member of this association in good standing shall be entitled to the following representation and vote at all conventions: A member having fifty constituent members, with right to vote therein, shall be entitled to one delegate representative and vote; having one hundred such members, two delegates and votes; having an excess of one hundred members, one additional delegate and vote for each full two hundred members of such excess; provided, that no association shall be entitled to more than sixteen delegates or votes. No member of this association shall be considered to be in good standing unless its dues shall have been paid in full to date.

SEC. 2. Delegates, who shall be active members of not less than one year's standing in the association which they represent, shall be selected by said association in such manner and for such term, of not less than one year, as it may elect. They shall be required to present at each convention of this association credentials properly executed by their association, and such credentials, further, shall certify the number of the association's members entitled to vote at that time. Duplicate of such credentials shall be mailed to the Secretary of this association at least fifteen days prior to a convention. Substitute delegates may be recognized and seated upon presentation of proper credentials, but "proxies" issued by delegates shall not be recognized.

ARTICLE IV.

DUES.

SECTION 1. The annual dues of each constituent member of this association shall be payable to the Secretary on or before the first day of January of each year, as follows: Each constituent body having 100 or less active members shall pay the sum of \$20; each constituent body having an excess of 100 active members shall pay in addition thereto \$5. for each 50 or major fraction thereof of such excess; provided, that no constituent body shall be required to pay a greater sum than \$300. Each

associate member shall pay dues in such an amount as may be determined by the Board of Managers, but shall not exceed \$20, payable on or before the first day of January of each year.

SEC. 2. If any member of this association shall fail or refuse to pay annual dues within a period of sixty days after the same are due and payable, the membership of such member shall then stand suspended and may be terminated. The Board of Managers may, however, in its discretion and upon such terms as it deems proper, subject to the provisions of this Constitution, restore such suspended member to good standing. All suspended memberships shall be finally terminated at the expiration of one year from the date of suspension.

ARTICLE V.

OFFICERS.

SECTION 1. The elective officers of this association shall be:—

A President,

A First Vice-President,

A Second Vice-President,

A Treasurer,

who shall be elected by ballot at each annual convention for a term of one year, commencing with the adjournment of said convention, and who shall serve until their successors are elected and installed. A majority of the votes cast shall elect.

SEC. 2. The President shall preside at all conventions of the association; he shall be a member of the Council and of the Board of Managers, hereinafter provided for, and act as chairman of both; he shall perform such other duties as are usual for such officer.

SEC. 3. The Vice-Presidents shall, in respective order, perform the duties of the President in the event of his death, disability or absence.

SEC. 4. The Treasurer shall receive all moneys paid to the association and shall disburse moneys only upon written orders signed by the Secretary and countersigned by the President, which shall be his only vouchers for disbursements; he shall carefully account for all transactions of his office and make full report of the same to the annual convention, or at any time upon demand of the President; he shall furnish good and sufficient bond in such sum and with such sureties as may be required by the Council before entering upon the discharge of his office.

ARTICLE VI.

MANAGEMENT.

SECTION 1. The direction of the affairs of this association shall be vested in a Council, acting through the Board of Managers, as hereinafter set forth.

SEC. 2. The Council shall be constituted as follows: There shall be as many members of the Council as there are constituent bodies in the association. Each constituent body in the association shall be entitled to one member of the Council, who shall be elected at each annual convention, for a term of one year, commencing with his election. The nomination of the member of the Council for each constituent body shall be made by its delegation at the annual convention, but in the absence of such nomination or failure of a constituent body to designate its choice for the office, the convention shall nominate and elect. Vacancies in the Council shall be filled by appointment by the President, who shall first request nomination for the vacancies from the constituent body affected.

SEC. 3. The Council shall meet upon the call of the President and organize for the ensuing fiscal year. It shall also meet the day prior to each convention and at such other times and places as in its judgment may seem best, and may be convened in special session upon call of the President or by demand of one-third of its members. Notice of all meetings of the Council, excepting the meetings immediately preceding and following its election, shall be mailed to each member at least twenty days in advance thereof and shall state the business to be considered. At all meetings of the Council the presence of five of its members shall constitute a quorum.

SEC. 4. The Council shall determine the general scope and direction of the work of the association and instruct the Board of Managers.

ARTICLE VII.

BOARD OF MANAGERS.

SECTION 1. The President, upon assuming his office, shall, subject to the confirmation by the Council, appoint a Board of Managers, which shall be constituted as follows: The President, the First Vice-President, the Second Vice-President and six representatives of members of the association. Vacancies in the Board of Managers shall be filled by the President in the manner of original selection.

SEC. 2. The Board of Managers shall have immediate supervision of the affairs of the association; it shall actively endeavor to prosecute its objects and comply with the instructions of the Council. The Board of Managers shall have direction of the disbursement of the funds of the association. It may adopt such rules and regulations for the conduct of its business as shall be deemed advisable, and may, in the execution of the powers granted, appoint such agents as it may require or deem necessary.

SEC. 3. The Board of Managers shall meet and organize as soon as practicable after appointment and confirmation of its members. It shall further meet upon call of the President at such times and places

as may be designated, and shall be called to meet upon the demand of the majority of its members. Notice of all special meetings of the Board of Managers shall be mailed to each member at least ten days in advance of such meeting. The presence of five members of said Board of Managers shall constitute a quorum.

SEC. 4. The Board of Managers shall cause to be kept a full and complete record of all its proceedings, which shall be open to the inspection of the members at any time, and it shall render a detailed report of its transactions annually or oftener, if so required, to the Council. It shall make a report and offer its recommendations to each annual convention of the association.

SEC. 5. The Board of Managers shall appoint a Secretary of this association and fix the compensation for his services. It shall be the duty of such Secretary to receive all moneys that may be paid to him by virtue of his office, carefully account for the same and promptly cover them into the treasury, taking the Treasurer's official receipt therefor; to keep a complete and accurate record of all proceedings of the association, as well as of its Council and Board of Managers; he shall have possession of its records and archives, attend to the proper publication of all reports, conduct the official correspondence, attest documents and perform such other duties as are usual for such official or as may be required of him by the Board of Managers.

SEC. 6. The Board of Managers shall appoint a Commissioner of this association and fix the compensation for his services. It shall be the duty of such Commissioner to maintain headquarters and his residence at the National Capital, devoting his time and efforts to promoting the objects of this association and extending its membership and influence. He shall endeavor to keep in close touch with national legislative and departmental affairs, keeping the membership of the association posted regarding matters of interest, and in all things complying with the directions of the President and Board of Managers.

ARTICLE VIII.

MEETINGS.

SECTION 1. The regular annual conventions of this association shall be held at such time and place as shall be determined by the Council. Special meetings may be called by the Council. Notice of all meetings shall be mailed by the Secretary of this association to the Secretary of each constituent association at least thirty days prior to the date for assembling. In case of special meeting, such notice shall state the object of the meeting and subjects to be considered.

SEC. 2. At all conventions of this association the presence of delegates from a majority of the constituent members thereof shall constitute a quorum.

ARTICLE IX.

COMMITTEES.

SECTION 1. The President, as soon as practicable after assuming the duties of his office, shall appoint, from the list of representatives, the following committees:—

A Committee on Credentials, to which shall be referred the credentials of all representatives for report and recommendation.

A Committee on Law, to which shall be referred questions of law affecting subjects under consideration.

A Committee on Finance, which shall audit the accounts of the Treasurer and Secretary and to which all subjects affecting the expenditure of moneys shall be referred.

A Committee on Ways and Means, to which shall be referred subjects relating to the means of maintenance of the organization.

And such other committees as in his judgment may be desirable, to whom may be assigned for consideration and report cognate subjects upon the programme to come before the convention.

ARTICLE X.

GENERAL PROVISIONS.

SECTION 1. All subjects considered or acted upon by this association shall be national in character.

SEC. 2. All propositions, resolutions or questions, except those which involve points of order or matters of personal privilege, shall be submitted for action in writing only by the constituent bodies or by the Council; provided, that by consent of two-thirds of the constituent bodies present at a meeting a subject not so presented may be considered. A constituent body desiring to present a subject to a convention of this association shall commit its proposition to writing and forward the same to the Secretary at least forty days prior to the date of the meeting at which it is to be considered.

SEC. 3. A complete programme of all propositions submitted, as provided for in the foregoing section, shall be published by the Secretary and mailed to each constituent body prior to each convention.

SEC. 4. Any constituent body may withdraw from membership by submitting to the Secretary a written resignation, accompanied by remittance in full for all dues to date.

ARTICLE XI.

AMENDMENT.

SECTION 1. This Constitution may be amended or added to at any meeting of the association upon affirmative vote of two-thirds of the delegates present and subject to the provisions of Article X, Sections 2 and 3 thereof.

SEC. 2. The provisions of this Constitution may be suspended for a definite time, except as to the subject of quorum, at any meeting of the association, by unanimous consent of the delegates present and voting.

BY-LAWS.

1. The following shall be the regular order of business at all conventions of this association:—

First. Roll call.

Second. Announcement of committee appointments; receiving report of Committee on Credentials and action thereon.

Third. Reports of officers and Council and reference thereof to committees.

Fourth. Reports of standing and special committees.

Fifth. Election of officers for ensuing year.

Sixth. Consideration of and action upon official programme and reports of committees; general business.

2. Roberts' Rules of Order shall govern deliberations of this association.

3. During conventions of this association no delegates shall speak more than ten minutes upon one question without the leave of the convention, nor longer than twenty minutes without unanimous consent.

4. On all questions before a convention of this association on which a vote is taken *viva voce*, or by division, each duly accredited delegate present shall be entitled to one vote, in person. In all votes by ye and nay the delegates of each constituent association who are present shall have the right to cast the full number of votes to which their association is entitled, according to its officially reported membership and last payment of dues; all ye and nay votes shall be fully recorded and published in the proceedings. A call for ye and nay votes may be ordered only on questions involving action by the association upon propositions of a public character, or such as relate to amendment of the Constitution or By-Laws, and then only upon the demand supported by one-third of the members present; on the question of such demand each constituent body represented shall be entitled to but one vote, which shall be recorded. An affirmative vote of two-thirds shall be necessary to carry the approval of the National Board of Trade upon any proposition or resolution which may appear upon the official programme or be added thereto as provided by the Constitution.

5. In all ballots for the elective officers of this association each constituent body shall cast one ballot, upon which shall be written the name of the association by which it is cast, with the number of votes to which it is entitled and the number of votes or fractions of a vote given to each candidate for the office.

6. These By-Laws may be amended or added to at any convention by a two-thirds affirmative vote of the members present.

MEETINGS

OF THE

NATIONAL BOARD OF TRADE.

1868	June	Philadelphia
1868	December	Cincinnati
1869	December	Richmond
1870	December	Buffalo
1871	December	St. Louis
1872	October	New York
1873	October	Chicago
1874	January	Baltimore
1875	June	Philadelphia
1876	June	New York
1877	August	Milwaukee
1879	December	Washington
1880	December	Washington
1882	January	Washington
1883	January	Washington
1884	January	Washington
1885	January	Washington
1886	January	Washington
1887	January	Washington
1888	January	Washington
1888	November	Chicago
1889	October	Louisville
1890	December	New Orleans
1892	January	Washington
1893	January	Washington
1894	January	Washington

1895	January	Washington
1896	January	Washington
1897	January	Washington
1897	December	Washington
1898	December	Washington
1900	January	Washington
1901	January	Washington
1902	January	Washington
1903	January	Washington
1904	January	Washington
1905	January	Washington
1906	January	Washington
1907	January	Washington
1908	January	Washington

MEMBERSHIP, 1908.

AMERICAN SEED TRADE ASSOCIATION.
AMERICAN WAREHOUSEMEN'S ASSOCIATION.
ASSOCIATION FOR MAINTAINING THE RIGHTS OF PROPERTY
(Bridgeport, Conn.)
BALTIMORE BOARD OF TRADE.
BALTIMORE CHAMBER OF COMMERCE.
BAY CITY (MICH.) BOARD OF TRADE.
BOSTON ASSOCIATED BOARD OF TRADE.
BOSTON CHAMBER OF COMMERCE.
BOSTON MERCHANTS' ASSOCIATION.
CAMDEN (N. J.) BOARD OF TRADE.
CANTON (OHIO) BOARD OF TRADE.
CENTRAL SUPPLY ASSOCIATION (Chicago).
CHICAGO OPEN BOARD OF TRADE.
CIGAR MANUFACTURERS' ASSOCIATION OF AMERICA
CLARKSVILLE (TENN.) CHAMBER OF COMMERCE.
CLEVELAND CHAMBER OF COMMERCE.
DECATUR (ALA.) BUSINESS MEN'S LEAGUE.
FAIRFIELD (CONN.) BOARD OF TRADE.
HOBOKEN BOARD OF TRADE.
HUNTSVILLE (ALA.) CHAMBER OF COMMERCE.
ITALIAN CHAMBER OF COMMERCE (New York).
KANSAS CITY (MO.) BOARD OF TRADE.
KEY WEST (FLA.) CHAMBER OF COMMERCE.
KNOXVILLE BOARD OF TRADE.
KNOXVILLE MANUFACTURERS' AND PRODUCERS' ASSOCIATION.
LOUISVILLE BOARD OF TRADE.
LYNN (MASS.) BOARD OF TRADE.
MOBILE COMMERCIAL CLUB.
MONTGOMERY COMMERCIAL CLUB.
NASHVILLE BOARD OF TRADE.

NASHVILLE GRAIN DEALERS' EXCHANGE.
NASHVILLE LUMBERMEN'S ASSOCIATION.
NATIONAL HARDWARE ASSOCIATION OF THE UNITED STATES.
NATIONAL IRRIGATION ASSOCIATION.
NATIONAL SHOE WHOLESALERS' ASSOCIATION OF THE
UNITED STATES.
NEW DECATUR (ALA.) COMMERCIAL CLUB.
NEW ENGLAND SHOE AND LEATHER ASSOCIATION.
NEWPORT NEWS CHAMBER OF COMMERCE.
NEW YORK BOARD OF TRADE AND TRANSPORTATION.
NEW YORK PRODUCE EXCHANGE.
NORFOLK BOARD OF TRADE AND BUSINESS MEN'S ASSN.
NORTH SIDE (N. Y.) BOARD OF TRADE.
PHILADELPHIA BOARD OF TRADE.
PHILADELPHIA COMMERCIAL EXCHANGE.
PHILADELPHIA COMMERCIAL MUSEUMS.
PHILADELPHIA TRADES LEAGUE.
PITTSBURG CHAMBER OF COMMERCE.
PROVIDENCE BOARD OF TRADE.
PUERTO RICO CHAMBER OF COMMERCE (Ponce Branch).
SAGINAW (MICH.) BOARD OF TRADE.
SAVANNAH BOARD OF TRADE.
SCRANTON BOARD OF TRADE.
SPRINGFIELD (MASS.) BOARD OF TRADE.
SYRACUSE CHAMBER OF COMMERCE.
TOLEDO PRODUCE EXCHANGE.
UNITED STATES EXPORT ASSOCIATION.
WASHINGTON BOARD OF TRADE.
WILMINGTON BOARD OF TRADE.

ASSOCIATE MEMBERS, 1908.

ACKER, FINLEY, Philadelphia.
ANDERSON, A. T., Cleveland.
BEARDSLEE, C. H., Cleveland.
BISHOP, K. D., Cleveland.
BOWMAN, I. T., Cleveland.
BRUSH, CHAS. F., Cleveland.
BURCHFIELD, A. P., Pittsburg.
BURROWS, C. W., Cleveland.
CADY, GEO. W., Cleveland.
CASHMAN, WM. T., Cleveland.
CASTLE, WM. H., Philadelphia.
COATES, WM. M., Philadelphia.
DAISH, JOHN B., Washington, D. C.
DUNCAN, JR., CO., THE A. R., Cleveland.
EDWARDS & CO., THE WM., Cleveland.
FARNSWORTH, C. E., Cleveland.
FOARD, JOS. R., Baltimore.
FONTIUS, F. J., Cleveland.
GODLEY, PHILIP, Philadelphia.
GOULDER, H. D., Cleveland.
GUND, GEO. F., Cleveland.
HANNA, L. C., Cleveland.
HARPER, JOHN M., Philadelphia.
HUMPHRY, D. S., Cleveland.
JOHNSON, ALBA B., Philadelphia.
JOHNSON, M. B., Cleveland.
KLINE, MAHLON N., Philadelphia.
KUNDTZ, THEODOR, Cleveland.
LA LANNE, FRANK D., Philadelphia.
MARVEL, JOSIAH, Wilmington, Del.
MATHER, SAML., Cleveland.

MATHER, W. G., Cleveland.
MAY CO., THE, Cleveland.
MAXWELL, GEO. H., Chicago.
MITCHELL, GUY E., Washington, D. C.
MITCHELL, JOHN, Cleveland.
MCNAIRY, AMOS B., Cleveland.
PARKER, JAS. F., New York.
PRENTISS, F. F., Cleveland.
ROBINSON, WM. T., Philadelphia.
SCOTT, F. A., Cleveland.
SHERWIN-WILLIAMS CO., THE, Cleveland
SMITH, STILES C., Cleveland.
SULLIVAN, C. E., Cleveland.
SULLIVAN, J. J., Cleveland.
SWASEY, AMBROSE, Cleveland.
TREADWAY, LYMAN H., Cleveland.
TUCKER, W. R., Philadelphia.
WELCH, GEO. P., Cleveland.
WOOD, E. R., Philadelphia.

OFFICERS, 1908.

PRESIDENT.

FRANK D. LA LANNE *Philadelphia.*

FIRST VICE-PRESIDENT.

P. M. ESTES *Nashville.*

SECOND VICE-PRESIDENT.

CLINTON WHITE *Boston.*

TREASURER.

WM. R. TUCKER *Philadelphia.*

MANAGERS.

JAMES F. PARKER *New York.*
CAPT. W. B. RODGERS *Pittsburg.*
L. L. GILBERT *Montgomery.*
HARRY WEISSINGER *Louisville.*
WM. D. MULLEN *Wilmington.*
THOS. J. BRODNAX..... *Kansas City.*

COUNCIL.

American Seed Trade Association, ALBERT McCULLOUGH.
American Warehousemen's Association, ALBERT M.
READ.
Baltimore Board of Trade, E. B. HUNTING.
Baltimore Chamber of Commerce, CHAS. ENGLAND.
Boston Associated Board of Trade, FREDERIC H. VIAUX.
Boston Chamber of Commerce, CHAS. S. HAMLIN.
Boston Merchants' Association, JAS. RICHARD CARTER.

- Camden (N. J.) Board of Trade, WALTER WOOD.
Central Supply Association, SAML. H. MOON.
Chicago Open Board of Trade, FRED. C. HAMPSON.
Cigar Manufacturers' Association of America, MAURICE
WERTHEIM.
Cleveland Chamber of Commerce, ALFRED CLUM.
Hoboken Board of Trade, EDW. H. HORWOOD.
Italian Chamber of Commerce (N. Y.), ANTONIO ZUCCA.
Kansas City Board of Trade, THOS. J. BRODNAX.
Knoxville Board of Trade, CAREY E. SPENCE.
Louisville Board of Trade, W. W. HITE.
Lynn (Mass.) Board of Trade, EVERETT H. DUNBAR.
Montgomery Commercial Club, G. GROSVENOR DAWE.
Nashville Board of Trade, E. S. SHANNON.
Nashville Grain Dealers' Exchange, SAML. G. DOUGLAS.
National Hardware Association of the United States, T.
JAMES FERNLEY.
National Irrigation Association, W. S. WRIGHT.
New England Shoe and Leather Association, CHAS. H.
JONES.
Newport News Chamber of Commerce, W. B. LIVEZEY.
New York Board of Trade and Transportation, G. WALDO
SMITH.
New York Produce Exchange, J. P. TRUESDELL.
Norfolk Board of Trade and Business Men's Association,
J. A. HALL.
North Side (N. Y.) Board of Trade, CHAS. E. REID.
Philadelphia Board of Trade, E. R. WOOD.
Philadelphia Commercial Exchange, EDW. L. ROGERS.
Philadelphia Commercial Museums, WM. S. HARVEY.
Philadelphia Trades League, FINLEY ACKER.
Pittsburg Chamber of Commerce, A. J. LOGAN.
Providence Board of Trade, FRANK A. FIELD.
Scranton Board of Trade, F. L. HITCHCOCK.
Springfield Board of Trade, C. HENRY HATHAWAY.
Syracuse Chamber of Commerce, FRANCIS E. BACON.
Toledo Produce Exchange, E. L. SOUTHWORTH.
Washington Board of Trade, A. P. FARDON.
Wilmington Board of Trade, WM. D. MULLEN.

OFFICERS.

xxvii

SECRETARY.

WILLIAM R. TUCKER *Philadelphia.*
The Bourse, Room 258.

COMMISSIONER.

ALBERT M. READ *Washington, D. C.*
No. 1140 Fifteenth street.

THIRTY-EIGHTH ANNUAL MEETING

OF THE

NATIONAL BOARD OF TRADE

The Thirty-eighth Annual Meeting of the National Board of Trade was held at the New Willard's, in the city of Washington, D. C., on Tuesday, Wednesday and Thursday, January 21, 22 and 23, 1908.

FIRST DAY.

TUESDAY, JANUARY 21, 1908.

The Board met and was called to order at 12.19 o'clock P. M., by the President, Mr. FRANK D. LA LANNE, in the Chair, the Secretary (Mr. WILLIAM R. TUCKER) being at his desk.

The PRESIDENT.—The first business will be the call of the roll by the Secretary.

The Secretary called the roll and the President thereupon announced the presence of a quorum.

COMMITTEE ON CREDENTIALS.

The PRESIDENT.—Gentlemen, this is not a convention until the Committee on Credentials shall make its report.

The Chair, through the Secretary, announced the appointment of the Committee on Credentials as follows:—

WALTER WOOD, Camden, *Chairman*; WM. H. TREEN, Lynn; CHARLES E. REID, New York; J. A. HALL, Norfolk; EDWARD H. HORWOOD, Hoboken.

Cleveland Chamber of Commerce.

J. J. Sullivan,	F. H. Haserot,
Chas. W. Burrows,	S. L. Pierce,
Alfred Clum,	Ambrose Swasey,
Lucien B. Hall,	A. T. Anderson.

Hoboken Board of Trade.

Edward H. Horwood,	C. Alfred Burhorn.
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Italian Chamber of Commerce.

Arthur Baur,	Egisto Mariana,
Roberto Falchero,	Arthur J. Stefani,
	Antonio Zucca.

Kansas City Board of Trade.

Frank G. Crowell,	Thomas J. Brodnax,
	Wallace C. Goffe.

Lynn Board of Trade.

Everett H. Dunbar,	Ernest W. Roberts,
	Wm. H. Treen.

Montgomery Commercial Club.

A. G. Forbes,	G. Grosvenor Dawe,
	W. F. Vandiver.

Nashville Board of Trade.

Samuel G. Douglas,	P. M. Estes,
	E. S. Shannon.

Nashville Grain Dealers' Exchange.

Samuel G. Douglas.

National Hardware Association of United States.

T. James Fernley,	F. P. May.
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National Shoe Wholesalers' Association of United States.

John W. Craddock,

Daniel P. Morse.

New England Shoe and Leather Association.

George F. Daniels,

Chas. H. Jones.

Newport News Chamber of Commerce.

W. B. Livezey,

R. G. Bickford.

New York Board of Trade and Transportation.

G. Waldo Smith,

E. H. Conklin (Alternate),

Wm. H. Gibson,

Albert Plant (Alternate).

New York Produce Exchange.

J. P. Truesdell,

Edw. Flash, Jr.,

E. R. Carhart,

Chas. W. McCutchen,

Wm. Harris Douglas.

Norfolk Board of Trade and Business Mens' Association.

Wm. T. Anderson,

J. A. Hall.

North Side Board of Trade.

Charles B. Lawson,

Alphonse Weiner,

Chas. E. Reid.

Philadelphia Board of Trade.

Frank D. La Lanne,

Wm. T. Rolph,

E. R. Wood,

Wm. T. Robinson,

John M. Harper,

E. J. Lavino,

Henry A. Fry,

S. B. Vrooman,

John Sailer (Alternate).

Philadelphia Commercial Exchange.

Edward L. Rogers,

James L. King.

Philadelphia Commercial Museums.

W. S. Harvey, Wm. P. Wilson,
Daniel Baugh.

Philadelphia Trades League.

John G. Croxton,
Finley Acker,
Wm. W. Foulkrod,

Pittsburg Chamber of Commerce.

A. J. Logan,
J. W. Kinnear,

E. A. Kitzmiller,
W. H. Stevenson.

Scranton Board of Trade.

F. L. Hitchcock, H. C. Reynolds.

Springfield Board of Trade.

Henry H. Bowman, Frederick H. Gillett,
C. Henry Hathaway.

Syracuse (N. Y.) Chamber of Commerce.

Francis E. Bacon.

Washington Board of Trade.

A. P. Fardon,
John Joy Edson,

H. T. Newcomb,
W. P. Van Wickle.

Wilmington Board of Trade.

Thomas H. Savery,
Irenee du Pont,
William D. Mullen,
George W. Sparks,
Thomas F. Bayard.

OPENING ADDRESS OF THE PRESIDENT.

Gentlemen.

We have begun our fortieth year, being organized in 1868.

During the year just passed, your President has been entertained most hospitably in many cities by the Chambers of Commerce and Boards of Trade. Everywhere he has been brought into intercourse with leading men, all have been deeply interested in your work, a number of organizations have joined us and we are in pleasant correspondence with many. It is a matter of time and work, but in two years we can number 100. The most delightful year of the President's life has been the last. Warm, kind hospitality and heart-to-heart talks with the men of affairs all over the United States, have warmed into abiding friendships, stronger and more enduring than bands of steel. Are not friendships thus made great factors in carrying on our work?

We will all miss most sorrowfully two valued friends, whose intelligent aid we so much relied upon, Morris S. Wise, who died a little more than a year ago, and Francis B. Thurber, both earnest believers in the National Board of Trade.

All old and new friends are a thousand times welcome.

Your President has considered that the work of the National Board is only begun at a convention, and he takes the greatest pleasure in commending the consistent and never-ceasing labors of your committee throughout the whole year. Congress has been thus impressed with what the men of commerce demand. Many members have solicited interviews with your committee-men, so that your influence will be apparent in this Congress.

The chairmen of committees will present some valuable reports.

Your Board of Managers met in the autumn in Philadelphia, going over the year's work, besides suggesting some good plans for the future and strengthening your President's hands.

Many of our members took a lively share in the convention held at Memphis in the interest of the lakes-to-the-Gulf waterway.

We were largely in evidence at the Atlantic Deeper Waterways Convention, held in Philadelphia last autumn, and in the

National Rivers and Harbors Congress at Washington, D. C., last month.

Secretary Straus, of the Department of Commerce and Labor, asked the National Board of Trade and a number of other organizations to send delegates to his office in Washington, December 5th, to confer with him as to a committee of advice on foreign and domestic commerce. Your President appointed Henry W. Peabody, of Boston; Ambrose Swasey, of Cleveland; E. R. Wood, of Philadelphia, and Frank D. La Lanne, of Philadelphia.

The most important questions of the day appear on the programme. The suggestions number 113, and they come from many parts of the country, thus showing the deepest concern in National matters and real patriotism. The 113 suggestions are grouped under 16 heads and will be committed to the care of that many committees, so that the suggestion made last year has been carried out in the concentration of our energies for the consideration of the most important National questions.

The National Board has worked hard for a merchant marine. To-day we face the sorry fact that our navy has no auxiliaries to carry its supply of coal around to the Pacific. The Gallinger Bill for the protection of American ships is a good one, but it, to my mind, does not go far enough. What is needed is a general bill of the character of the one offered in the last Congress, by which, by the payment of a moderate subsidy to cargo ships (which must be necessarily, for economy, of a moderate speed) thereby building up a foreign commerce in American bottoms. After this shall be established, it will be ample time to supplement them with lines to regular ports with fast steamers carrying the mails. We should build our own ships to save the 200 millions annually paid to foreigners for ocean freights, and thus be prepared for the enormous growth of our foreign trade when the Panama Canal shall be finished. The American people will not grumble at the cost of this canal, nor will they grumble at the cost of protection to American-built ships, for such a marine will give us the bulk of the trade naturally ours—that of South America and the East.

The amendment to the Interstate Commerce Law, which had been advocated for several years prior to the last session of

Congress, has been in effect now a little more than a year. Taking it as a whole, it has no doubt been beneficial both to the carriers and the shippers. It has shown some defects that should be modified. An amendment should be made giving the carriers the right to make traffic agreements among themselves. The danger of such an amendment, which has prevented Congress giving such authority heretofore, has been eradicated by the enactment of legislation giving the Interstate Commerce Commission power to prevent rebating, false classifying and underbilling of articles. There are several propositions on your programme at this time looking to that end.

Through the West comes a request for a further amendment to the Interstate Commerce Law, which, if enacted by Congress, would give the Interstate Commerce Commission the power to determine, in advance of a rate going into effect, as to whether same were reasonable or unreasonable.

It would seem to your President that the present time is not propitious to impose upon carriers any additional legislation that might be construed as inimical to them.

So much has been said in the last few months with regard to corporations that the public has, to a great extent, become alarmed. It has produced a financial panic and likewise restricted sound business. It would seem that any further agitation of importance relative to the carriers of the country had better be deferred until the new Congress of 1909. It should be the effort of the carriers and the public to do everything possible to restore confidence, so that business will resume its normal condition and the year of 1908 made a prosperous one. If one and all will use their best efforts to bring this about it will redound to the credit of them as well as to the country at large.

The growth of the farms, mills and mines warrants the need of at least a million a year of worthy immigrant labor. We should encourage this class to come and to become American citizens, but we should do all we can for fair distribution of the immigrants among the parts of our country so much in need of help.

Patriotism and business go hand in hand. Many of our active business men have business relations with every

State in the Union, with Canada and Cuba. It is essential that every facility be given for the easiest intercourse and most economical means for carrying on business. A great assistance would be a uniform bill of lading. It would become a negotiable piece of paper, discountable in every financial institution, thus being a great aid in panic times. Agreeably to your resolution of January, 1907, your President appointed your earnest Commissioner, Albert M. Read, Chairman of Committee on Uniform Bill of Lading, to attend the conferences with the Interstate Commerce Commission at hearings October 15, 1907, and July 15, 1907, in Washington, D. C.

He also attended the conference at Hotel Bellevue-Stratford, Philadelphia, on uniform State laws for bills of lading May 13, 1907. He did splendid work for the National Board. His report, which is full and very important, will be presented at the proper time.

What your Board did toward the present Consular Bill has borne good fruit. If we insist that every American consul all over the world shall be a well educated business man, an American citizen, fully alive to making trade, the commerce of our country could be largely increased, for wherever there is a business consul alive to American interests, business is growing, and we must never stop this agitation till every consulate becomes an active business agency. We demand all appointments be for merit, but not for political favor. [Applause.]

The development of our waterways, so important to relieve our inadequate transportation facilities, you must and will take up with great zeal. Appropriations of last Congress, in all \$93,000,000, were in answer largely to our determined stand for some years for liberal appropriations. But we want more, \$50,000,000 a year, no less. Why not a bond issue for \$500,000,000, so that \$50,000,000 may be spent annually? Why should not we improve now as fast as the demand requires, and let this improvement for our country's crying need be paid by our descendants? for we build as much for them as for ourselves.

One of our strong constituencies offers the following proposition, which is worthy of very urgent and thorough discussion, and for that purpose I have named a representative committee:—

Shall a new Government department, with a Cabinet officer at its head, be created to take charge of all national rivers and harbors improvements and all other construction work under the United States Government, and to have jurisdiction over the navigable waters of the United States?

A wise reform in our banking and currency laws is imperative. Several good propositions are before you which your committee will boil down to the best way out.

The postal savings bank proposition of Postmaster-General Meyer has been almost universally indorsed. I hope you will consider it very carefully. One-cent letter rate, parcels post and other postal affairs will receive your careful consideration.

In a recent interview your President had with President Roosevelt, the latter emphasized the destruction of our forests. I earnestly hope you may propose some wise method to stop the waste and to reforest the country. You have a strong and experienced Committee on Forestry.

Our discussions are listened to and read by many and in the end bring fruitful results and wholesome legislation.

"That from discussion's lips may fall
With life, that working strongly binds—
Set in all lights by many minds,
To close the interest of all."

Now, gentlemen, I quote a few lines by a distinguished member present, which present my views in such a poetic way that I must put them in:—

There is a law of compensation as fixed as the courses of the stars. For every excess there will certainly come the day of retribution. The Justice which rules and guides the larger affairs of the universe is unerring. Capital cannot act the part of an oppressor, cannot disdain the puny strength of man-made laws, without smarting at last under the lash of outraged public opinion. And should the public wield the lash too vigorously, they will inevitably suffer every excessive pang endured by those whom they seek to chastise.

So every one who groans in body or spirit beneath the wrongs of the particular time can trustingly exclaim with the Eastern King, "This, too, shall pass away."

No class will permanently be either oppressor or oppressed. The whirligig of time will reverse all positions.

We are now, in what we hope, are the closing days of a period of indiscriminating denunciation and legislation against capital and corpor-

ations. Our excesses in this respect have realized the inevitable result: we have nearly succeeded in burying ourselves beneath the ruins of the temple which we sought to overthrow. The events of the past months have admonished all, from the highest to the lowest, that this is a time for temperance of expression and action, and we believe that there have come to all classes that larger wisdom and tolerance, which will be necessary to restore public confidence and prosperity.

And every one should bear in mind that, although great aggregations of capital have resulted in many enormous fortunes, yet they have been a benefit to all; that, although some have profited greatly, yet all have profited in some degree. The standard of living of all ranks has been raised and the luxuries of a generation ago are now the simple necessities. The swollen fortunes, so much maligned, have not been wrung from the poor of this country, but have been wrought out of the resources of nature.

On motion of Mr. HAUPT, of Philadelphia, the address of the President was received and placed on file.

REPORT OF THE COUNCIL.

The Secretary read the report of the council as follows:—

WASHINGTON, D. C., January 21, 1908.

GENTLEMEN:—The council of the National Board of Trade begs leave to submit to the association its thirty-eighth annual report.

It has been customary, in this report to refer briefly to the work of Congress between the dates of our meetings.

The second session of the Fifty-ninth Congress was notable for the large appropriations made, which qualified it as a billion dollar session. Among the more important of the laws passed there were, in addition to the small measure of currency reform carried in the Aldrich Bill, the act forbidding corporations to contribute funds to political campaigns and the act limiting the hours of labor for railway workers. The following measures which were strongly advocated and urged by the President became laws: The bill making liberal appropriations for the building of the navy known as the "big ship, big gun" programme; and that for the increase of the coast artillery by 5,000 men; the right of the Government to appeal on questions of law in criminal cases; the ratification of the San Domingo Treaty and the Amendment to the Immigration Law by which the President is empowered to control and check the entrance of Japanese coolies and other undesirable immigrants.

The two bills advocated for several years by the labor interests, the Eight Hour Law and the Anti-injunction Bill, failed to pass as did the measure looking towards the rehabilitation of the American Merchant Marine.

There was at least one bright spot in the record of the closing session of the Congress under review and that was the liberal treatment of our rivers and harbors by the passage of a bill appropriating \$86,963,432 for their improvement. This action can be directly traced to the growth of public sentiment favoring a liberal and fixed policy on part of the Government in increasing the facilities of our water borne commerce. The sinking of local interests and the joining of hands for the general good mark an era of real progress in the fuller utilization of the most economical carrying of the products of the country. While upon the subject of the improvement of our rivers and waterways, it may not be amiss to refer to three notable meetings held since your last annual meeting for the purpose of creating such a public sentiment upon this subject as will compel Congress to recognize annually by liberal aid the great need of the country for enlarged water transportation facilities.

The first meeting in order of time was that held in the interest of the deepening of the Mississippi and its tributaries. Public attention was particularly invited to this as a memorable occasion by reason of the presence of President Roosevelt, who met with an enthusiastic reception and in his addresses during his trip down the Mississippi committed himself in the most emphatic language to his advocacy of the claims for the improvement of that great national highway and generally to the broad policy of the steady and comprehensive development of our inland waterway freight service.

The second meeting was known as the Atlantic Deeper Waterways Convention convened in Philadelphia, November 19, 1907. Its purpose was to start a movement which contemplates securing by government aid an unbroken inland waterway from Barnstable Bay on the north side of Cape Cod, Mass., to Beaufort Inlet, North Carolina. The meeting lacked none of the enthusiasm characterizing that held in the interest of the Mississippi and resulted in the formation of a permanent organization under the title of the Atlantic Deeper Waterways Association.

These meetings might be said to lead up logically to the Fourth National Rivers and Harbors Congress held in Washington, D. C., December 4, 5, and 6, 1907. Practically all the States of the Union were represented. The attendance was large and the proceedings were followed with the closest attention and deepest interest. The keynote of the Congress was harmonious action in the advocacy of regular and liberal appropriations by Congress for the fullest development under a well considered and comprehensive plan of all the available waterways of the United States.

Your council has heard with the greatest regret and disappointment of the rumors now current as to the intention of Congress to allow the first session of the Sixtieth Congress to adjourn without the passage of a River and Harbor Bill. It is hoped, however, that wiser counsels may prevail and that the report of the Inland Waterways Commission, appointed by the President may be so comprehensive and suggestive as

to prompt such action on part of Congress as will permit the early inauguration of work in accordance with the plans presented.

The Secretary of Commerce and Labor extended an invitation to the National Board of Trade and a number of other trade associations, to meet with him in Washington, D. C., December 5, 1907, to consider ways and means of rendering the department "more helpful to the commercial interests." The President feeling that his action would receive your endorsement appointed the following gentlemen to attend with him the conference: Ambrose Swasey, First Vice-President, and Messrs. Henry W. Peabody, of Boston, and Mr. E. R. Wood, Chairman of the Committee on Conference with the Department of Commerce and Labor.

As stated in the opening address of Secretary Straus, "the purpose of this conference as outlined in the invitation is administrative, not legislative. This department is not charged with matters relating either to finance or revenue, nor with administrative duties affecting the tariff or reciprocity."

The conference, under the suggestion of Mr. Straus, effected a permanent organization, to be known as the National Council of Commerce, its affairs to be managed by an Advisory Committee of Fifteen.

The membership of the National Council is to consist of all commercial or trade organizations paying \$100 per annum and to be represented by one delegate at all of its meetings. Your delegates took part in the proceedings with the understanding that their action should not commit the National Board of Trade.

A meeting of the Board of Managers was held in Philadelphia, October 3, 1907. There were present: Mr. Frank D. La Lanne, President; Mr. P. M. Estes, Second Vice-President, and Messrs. Jas. F. Parker, Clinton White, L. L. Gilbert, Josiah Marvel and Harry Weisinger, Managers; also Albert M. Read, Commissioner and W. R. Tucker, Secretary.

The President submitted an invitation from the National Civic Federation to send delegates from this Board to its meeting, held in Chicago, October 22-25, 1907. The managers deemed it unadvisable to have the President appoint such a delegation.

The action of the President in appointing Messrs. F. D. La Lanne, Wm. R. Tucker, N. B. Kelly and J. J. Sullivan, members and alternates of the Executive Committee of the International Commercial Congress to be held this year in Prague, Bohemia, was endorsed.

It would be ungracious and a seeming lack of appreciation in mentioning this meeting of the managers, not to refer to the reception tendered them by the President at his country place near Bryn Mawr on the evening preceding the day of the meeting. The Lieutenant-Governor of the State, the President and Directors of the Pennsylvania and Reading Railroad Companies, leading lawyers and men of affairs generally, to the number of over a hundred, were present to meet our managers who were as well his guests during their stay in Philadelphia.

The interest of the President in the affairs of the National Board has continued with unabated enthusiasm. Besides visiting from time to time upon invitation, constituent members of the Board, he in company with the Secretary during the Spring of last year, journeyed to Richmond, Norfolk, Savannah and Charleston, for the purpose of securing the co-operation of the trade bodies of those cities in the work of the National Board. Later in the season a like visit was paid to Binghamton, Syracuse, Buffalo, Detroit and Cleveland.

Your officers were received most courteously and everything was done to emphasize the welcome which was accorded them.

The following associations have been elected since the last meeting:—

Savannah Board of Trade.

Norfolk (Va.) Board of Trade and Business Men's Association.

Hoboken (N. Y.) Board of Trade.

North Side Board of Trade (City of New York).

Lynn (Mass.) Board of Trade.

Camden (N. J.) Board of Trade.

Wilkes-Barre (Pa.) Board of Trade.

Under the instructions of various resolutions passed at the last annual meeting, certified copies of the action of the National Board, upon the different suggestions receiving its consideration, were sent to the Senate and House of Representatives and to such other bodies as directed. The Secretary, with the consent of the President, in cases where the subjects had been introduced or strongly advocated by any constituent body, forwarded the certified copies to the delegates from such bodies so that same might reach Congress through the hands of the Senator or Representative from the district in which said association was located. This plan seemed to give satisfaction and tended to nationalize the work of the Board, by placing before Congress from different sections of the country, its views upon the business questions of national importance.

The resolutions calling upon the trunk lines east and west for such increase in equipment and terminals as will in the future enable their roads to more nearly meet the demands of the continuing expansion of interstate traffic, were promptly sent to the Presidents of the trunk lines east and west.

Among the answers received there were two from which your Secretary quoted at length in his introductory note to the report of the last meeting. These were from the Presidents of the Chicago, Burlington and Quincy Railway Company and the Pennsylvania Railroad Company, which seemed to fully meet the criticism implied in the resolutions at least so far as these two roads were concerned.

The financial situation which dominated the policy of many if not the majority of railroads and prevented their increase of equipment and other facilities, was fully appreciated by many of the trade bodies early in the year just closed.

The following quotation from an address adopted and widely circulated by one of your constituent bodies in April, tersely but forcefully sums up the conditions then existing:—

"It is also to be regretted that at the very time of this urgent and legitimate demand for increased efficiency in railroad service the public should have come to regard with disfavor investments in railway securities. This disposition checks the necessary development of our vast railway system and thus curtails all branches of industrial life and seriously restricts commerce. While the questionable financial methods of some railroad managers have invoked merited criticism, yet there is no justification for a continuing policy prompting antagonism merely for retaliation, either by the Government or the people, as the universal railway system of the country must now be regarded as the great public carrier and absolutely necessary for the general business prosperity.

"The railroads of the nation are very large employers of labor, both directly and indirectly; they are great consumers of iron and steel, coal and other supplies. It also must be remembered that the railroads and most other corporations are not owned principally by the men who manage them. Their bonds and other evidences of debt are held to the amount of hundreds of millions by saving funds, trust companies, fire and life insurance companies, and other financial institutions, trust estates and a multitude of individual investors, whilst a very large amount of the capital stocks of the railroads are similarly held. It is recognized by those in touch with the business world that a fear exists that the many vague insinuations and suggestions as to what is yet to be done to correct real or imaginary wrongs in corporation management may hamper and interfere with the economical and practical handling of business so as to obstruct it and restrict legitimate profits. No market ever waits for that which it is believed will seriously affect it to actually happen, but always discounts its fears in advance of their realization."

The programme you are called to consider at this meeting, lacks none of the interest characterizing those of former years. One hundred and thirteen topics have been submitted. Of these, one hundred and five are grouped under sixteen heads and will be assigned to committees appointed for their consideration, the other topics will be taken up and passed upon at the pleasure of the meeting. The question of having the Department of Agriculture furnished with a sufficient fund by Congress for the establishment of an experimental cold storage plant, acted upon affirmatively at several of the annual meetings, is again brought forward.

The importance of this subject can well be understood when we learn that the French Government is organizing an International Congress of the refrigerating industries to be held in Paris, early in the coming July.

The Treasurer's report as presented shows a satisfactory balance.

Mr. Albert M. Read has continued to act as Commissioner at Washington, D. C. He has taken an active interest in the adoption by the several States and the Interstate Commerce Commission, of a Uniform Bill of Lading. He attended a meeting of the committee on Uniform State Laws in Philadelphia, May 13 and 14, 1907, and in Portland, Maine, August 21st, also a conference of the whole committee in the same city on the two following days. The Board was again represented by him before the Interstate Commerce Commission, upon the same subject October 15, 1907.

The thanks of the Board are certainly due Mr. Read for his unselfish devotion to its interests and welfare.

In the opening paragraphs of the report of your council to the last annual meeting it took pleasure in congratulating you upon the unprecedented prosperity of the year 1906. This report, however, cannot without the broadest possible optimism, attempt any laudation of the financial and commercial conditions at the close of the eventful year of 1907. While the financial crisis may be considered as passing away, yet it is feared that some time must elapse before the country again takes up its onward march in the line of prosperity, marking the years going before the last.

It, perhaps, would prove profitless for your council to attempt to place the blame upon any of the many causes which led up to the panic of October and November last, as the wisest financiers and economists differ in their diagnosis of the situation.

It seems, however, generally admitted that there is a necessity for some material changes in the laws governing the issuance and regulation of the National Currency. Many suggestions to this end are offered in the programme, and the widest and fullest discussion should be accorded the subject. Congress is considering the question, but so far no crystallization of ideas seems probable and the fear is entertained that political considerations may outweigh the more important ones of sound business principles in dealing with this vital question.

It is with regret your attention is called to the death of Mr. Francis B. Thurber, which took place on July 4, 1907, after a somewhat lingering illness.

Mr. Thurber has always taken an active part in the annual meetings of the Board, and was well equipped by the long associations of an active business career, to discuss with force and intelligence the many questions under consideration. He had always occupied a prominent position before the country and took part in many movements National, State and local, looking to the betterment of conditions affecting business, through legislation and otherwise.

His advocacy of conservative legislation relating to railroads and other corporations during these later years of anti-corporation sentiment, naturally brought him in opposition to those who were urging drastic measures for regulation and control, but he was considered well

informed regarding these questions and defended his views and position with able and telling arguments.

The Board will miss him and his absence from the meetings will be viewed as a loss in its counsels.

By order of the council.

The PRESIDENT.—Gentlemen, you have heard the report of the council. What is your pleasure?

On motion of Mr. ROBINSON, of Philadelphia, the report of the council was received and adopted.

REPORT OF THE TREASURER.

The PRESIDENT.—The next report in order is that of the Treasurer.

The Treasurer, Mr. WILLIAM R. TUCKER, read his report as follows:—

January 21, 1908.

To the President and Members of the National Board of Trade:—

GENTLEMEN:—Your Treasurer respectfully reports that, including a balance of \$487.54 at the beginning of the year, the receipts were \$3,598.02. The expenditures were \$2,654.07, leaving a balance of \$943.95 to be carried to the new account.

A summarized statement of the receipts and expenditures is attached hereto.

Yours truly,

WM. R. TUCKER,
Treasurer.

SUMMARY OF RECEIPTS AND EXPENDITURES FOR THE YEAR ENDING JANUARY 20, 1908.

Balance from last account	\$487 54
Annual assessments:—	
Year 1906	\$110 00
Year 1907	2,225 00
Year 1908	330 00
	<hr/>
	2,665 00
Associate members 1907	400 00
Banquet account	36 00
Interest on deposit	9 48
	<hr/>
	\$3,598 02

EXPENDITURES.

Expenses thirty-seventh annual meeting	\$137 99
Banquet	32 50
Stenographer	135 00
Secretary:—	
Salary	\$1,200 00
Printing, &c.	353 63
	<hr/> 1,553 63
President:—	
Postage expenses &c.	111 07
	<hr/>
Amount over	\$1,970 19
Annual reports thirty-seventh annual meeting.....	541 50
Official programme thirty-eighth annual meeting..	142 38
Balance	943 95
	<hr/>
	\$3,598 02

Mr. TUCKER.—I desire to say that the sub-committee of the Finance Committee has examined the reports of the Treasurer, has compared the same with the vouchers on file and has reported as having found the reports correct.

On motion, the report of the Treasurer was received and placed on file.

COMMITTEE TO NOMINATE NEW OFFICERS.

Mr. VIAUX, of Boston.—I move that a committee of seven be appointed by the Chair to present nominations of officers for the ensuing year, the report of that committee to be considered the first business to-morrow afternoon.

The motion was agreed to and the Chair announced the committee as follows:—

MESSRS. FREDERIC H. VIAUX, G. WALDO SMITH, A. M. READ, F. L. HITCHCOCK, E. S. SHANNON, A. J. LOGAN, N. B. KELLY.

OFFICIAL PROGRAMME.

The Board proceeded to the consideration of the Official Programme, which was as follows:—

I. AMERICAN MERCHANT MARINE.

BOSTON ASSOCIATED BOARD OF TRADE.

Resolved, That the Boston Associated Board of Trade believes that no commercial question involving the interests of the entire country is of greater importance than the encouragement of the merchant marine, and recommends that the National Board of Trade press upon Congress the urgency of proper measures of relief and assistance.

II. SHIP SUBSIDY.

BOSTON MERCHANTS' ASSOCIATION.

Resolved, That the Boston Merchants' Association believes in some action by Government, preferably in the form of liberal mail contracts, possibly in part by less stringent shipping regulations that will enable our merchant marine to successfully compete for the commerce of the world.

III. AMERICAN MERCHANT MARINE.

NEW YORK BOARD OF TRADE AND TRANSPORTATION.

WHEREAS, The American merchant marine in the foreign trade has practically disappeared from the ocean and the United States Government was compelled to charter vessels flying the flags of other nations to transport necessary supplies and coal for the use of the American fleet on its cruise to the Pacific; therefore be it

Resolved, That while we refrain from urging the adoption of any specific plan for restoring the American merchant marine, we believe that the necessity of depending upon the colliers and other auxiliaries of other nations in the cruise of the American fleet to the Pacific is humiliating to the American people and invites disaster, and we most earnestly urge upon Congress the great importance of immediately adopting measures which will insure the sailing under the American flag, whether owned by the Government or by citizens, of a sufficient number of transports and colliers, or vessels adapted to those uses, to make the American fleet independent of foreign vessels both in peace and in war.

IV. AMERICAN MERCHANT MARINE.

NEW YORK PRODUCE EXCHANGE.

The National Board of Trade deplore that action has not been taken by Congress to build up the American merchant marine.

We regret the present condition of our shipping, and that our carrying trade is practically monopolized by aliens who have established their lines from our ports to all parts of the world.

We believe that not only is this a detriment to our commerce, but it also means the yearly loss to our people of a large amount of freight profits which should justly be ours.

We consider this condition is a menace to American business interests, and through circumstances, which may arise at any time, our almost total lack of deep water tonnage may be as disastrous to our growing export and import business as was the late financial disturbance to our home industries.

We strongly urge the immediate establishment of American mail and freight lines to South and Central America, Australasia, South Africa, China, Japan and other important countries, also to our dependencies.

We further advocate proper encouragement should be given to creating an American built sail and steamer tonnage so necessary to the extension and protection of the commercial growth of our country.

We urge the Senate and Congress to pass liberal laws to bring about these results during the present session, and believe that such action is desired by and will meet with the indorsement and approval of the American people.

V. AMERICAN MERCHANT MARINE.

PHILADELPHIA BOARD OF TRADE.

Resolved, That the National Board of Trade reaffirms its action in behalf of the shipping bill of the Congressional Merchant Marine Commission and urges Congress to an early passage of that act as an important step toward saving a large annual expense for foreign freightage, and as offering a needed outlet for the surplus energies of the country.

VI. AMERICAN MERCHANT MARINE.

PHILADELPHIA TRADES LEAGUE.

WHEREAS, The commercial and industrial necessity for a material increase of American shipping in foreign trade becomes more apparent each year; and

WHEREAS, An adequate merchant marine is of inestimable value both in time of war and in time of peace; therefore be it

Resolved, That we again urge upon Congress the consideration and the passage of such legislation as will promote the growth of an American merchant marine built in American shipyards, commensurate with the needs of our foreign commerce, and which will give to all American citizens equal opportunity for building, owning and operating ships to compete for the carrying trade of the world.

VII. AMERICAN MERCHANT MARINE.

SCRANTON BOARD OF TRADE.

Resolved, That the National Board of Trade approves of any legislation which will promote the national defense, create a naval reserve, establish American ocean mail lines to foreign markets, especially to South America, Central America and Oriental countries, and to foster and promote commerce generally.

VIII. AMERICAN MERCHANT MARINE.

WASHINGTON BOARD OF TRADE.

The Washington Board of Trade reaffirms its action heretofore expressed relative to the American merchant marine.

It recommends that the National Board of Trade urge upon Congress the passage of an act to encourage and develop our merchant marine, in order that all commerce with our Eastern possessions and also our rapidly increasing export trade may be carried under the American flag, in vessels manned and owned by our people and as auxiliary to our navy in time of war.

IX. DIVISION OF DUTIES OF INTERSTATE COMMERCE COMMISSION.

BALTIMORE CHAMBER OF COMMERCE.

WHEREAS, The experience of something over a year under the rate law of 1906, Act of June 29, 1906, has demonstrated that whatever may have been the purpose of said law, it has not brought relief to, but, on the contrary, has imposed burdens upon the shipping public; and

WHEREAS, In a recent address before the American Bar Association, Commissioner Prouty urged the separation of the legislative, executive and judicial duties of the Interstate Commerce Commission; therefore be it

Resolved, That the National Board of Trade favors the separation of the legislative, executive and judicial duties of the commission by permitting the first named to remain in the Congress by transferring the executive duties to the Department of Commerce and Labor, or by creating a department of railways, and the present Interstate Commerce Commission as constituted to retain its judicial functions and duties.

X. AMENDMENT TO INTERSTATE COMMERCE LAW.

BALTIMORE CHAMBER OF COMMERCE.

WHEREAS, Under Section 20 of the Interstate Commerce Law provision is made for the filing of annual reports of the carriers subject to said act; and

WHEREAS, Said reports when filed do not now show the difference, if any, between the capitalization of the several railways and the amount invested in the same; and

WHEREAS, Common carriers are entitled to a fair return upon the amount invested; and

WHEREAS, There is a substantial relation subsisting between the amount invested in a common carrier and the rates or charges for transportation; therefore be it

Resolved, That the National Board of Trade favors such amendment to the Interstate Commerce Act as will compel the auditing and verification of the annual reports of carriers to the Interstate Commerce Commission by certified public accountants, said verification and auditing to show the book value of the tangible property of the carrier with or without an allowance for depreciation and further what value is placed by the corporations upon its intangible property, including its good will and franchise.

XI. LEGALIZED TRAFFIC AGREEMENTS.

BALTIMORE CHAMBER OF COMMERCE.

WHEREAS, Under the Act of July 2, 1890, commonly called the Sherman Anti-Trust Act, railroad associations for the purpose of maintaining agreed rates for the transportation of passengers and property are of doubtful legality; and whereas Section 5 of the Act of February 4, 1887, being the original interstate commerce law, makes it an offense for any interstate common carrier to enter into any contract, agreement or combination with any other common carrier or carriers for the pooling of freights and of different and competing roads, or to divide the aggregate or net proceeds of the earnings of said roads; and

WHEREAS, The recent public utterances of the President and of the chairman of the Interstate Commerce Commission, and the expressed views of others well informed upon the subject, indicate that there should be such amendments to existing laws which will permit interstate carriers to make pooling arrangements, subject to certain restrictions, or to make traffic agreements under the supervision of the Interstate Commerce Commission; and

WHEREAS, The pooling of traffic or freight and agreements between carriers upon rates and classifications are two entirely different propositions; therefore be it

Resolved, That the National Board of Trade does hereby put itself upon record as being unalterably opposed to any amendment to Section 5 of the Interstate Commerce Act which will legalize pooling; that is, the division among carriers of the tonnage of earnings, aggregate or net, on competitive traffic; be it further

Resolved, That the National Board of Trade is in favor of such amendment to the Sherman Anti-Trust Law as will permit voluntary associations of the carriers in a common territory and legalize agreements among them for the establishment of rates and classifications, provided that such associations, committees or bureaus, and agreements between carriers shall be subject to the supervision of the Interstate Commerce Commission or other competent Federal authority, and further provided that the right of individual action by any carrier, party to such agreement or member of such association be preserved; and, provided further, that the shipping public be protected against arbitrary action on the part of such associations or through such agreements by having ample notice of and opportunity to be heard in opposition of such associations or agreements before the Interstate Commerce Commission or other competent Federal authority.

XII. INTERSTATE COMMERCE LAW.

BOSTON ASSOCIATED BOARD OF TRADE.

Resolved, That the Boston Associated Board of Trade favors such amendment of the Interstate Commerce Law as will permit traffic agreements between railroads subject to the approval of the Interstate Commerce Commission.

XIII. LEGALIZING TRAFFIC AGREEMENTS.

PHILADELPHIA BOARD OF TRADE.

Resolved, That the National Board of Trade favors the legalizing of traffic agreements between railroad companies where such agreements have received the approval of the Interstate Commerce Commission.

XIV. RAILROAD AGREEMENTS.

PHILADELPHIA TRADES LEAGUE.

Resolved, That Congress be respectfully urged to so amend the Interstate Commerce Law as to permit railroads engaged in interstate traffic to enter into the making of agreements under the supervision and control of the Interstate Commerce Commission.

XV. GOVERNMENT OWNERSHIP OF RAILWAYS.

NASHVILLE BOARD OF TRADE.

Resolved, That the National Board of Trade deems that it would be highly inexpedient for the Government, State or Federal, to take under consideration at this time any proposition looking to the acquisition or operation of our railways.

XVI. CAR SHORTAGE.

NEW YORK PRODUCE EXCHANGE.

WHEREAS, The congestion of freight traffic throughout the United States is still a source of general complaint.

Resolved, That the Interstate Commerce Commission is hereby requested to use its influence and power to bring about the needed relief.

XVII. UNIFORM BILL OF LADING.

AMERICAN WAREHOUSEMEN'S ASSOCIATION.

WHEREAS, The Interstate Commerce Commission has now in hand the formulation of a uniform bill of lading to take the place of all others now in use by the railroad carriers of the country; and

WHEREAS, It is deemed absolutely essential to the proper conduct of the commerce of the country that order bills of lading, so important a vehicle in the movement of its crops, should be so segregated by all practicable means from the so-called straight bills of lading that they can be readily recognized; therefore be it

Resolved, That the National Board of Trade hereby petitions and prays the Interstate Commerce Commission to require for such order bills of lading a distinct and separate form, so differentiated by its wording, color, etc., that it shall be readily distinguished; and be it further

Resolved, That the National Board of Trade further petitions and prays that the uniform bill of lading when formulated may state fully in concise and unequivocal language the responsibilities of the railroad carriers thereunder.

XVIII. UNIFORM BILL OF LADING.

BALTIMORE CHAMBER OF COMMERCE.

WHEREAS, In the development of the business of this country the "order" bill of lading is a most useful and necessary instrument of commerce; and

WHEREAS, By reason of either lack of legislation or varying interpretations of existing laws in the several States their status is not clearly determined; and

WHEREAS, It is highly desirable that such like evidences of value shall possess like qualities throughout the country; and

WHEREAS, The present forms of bills of lading do not contain well defined and clear conditions, and permit the carrier to exempt itself from common law liability, also the security afforded by the bills in use is not such as to entitle them to ready acceptance by banks as collateral; therefore be it

Resolved, That the National Board of Trade most urgently recommends that Congress shall, by enactment, attach to "order" bills such

a measure of negotiability as now generally pertains to warehouse receipts, and when used in interstate commerce to otherwise safeguard their integrity in the hands of holders for value.

XIX. UNIFORM BILL OF LADING.

BOSTON ASSOCIATED BOARD OF TRADE.

WHEREAS, The great staple crops of the country are now moved through the agency of order bills of lading, and realizing that the regulation of bills of lading has not kept pace with the tremendous growth of the country, the Boston Associated Board of Trade recommends such legislation as will provide a uniform bill of lading by which all interests may be conserved, and such instrument made negotiable at common law and adequately protect all persons advancing value upon the security which it represents.

XX. UNIFORM BILL OF LADING.

NEW YORK PRODUCE EXCHANGE.

WHEREAS, The Interstate Commerce Commission is considering the adoption of a uniform bill of lading, and has before it the following forms which have been approved by many of the leading commercial and financial interests of the country.

Resolved, That the National Board of Trade hereby recommends the adoption of the said forms of bill of lading:—

FORMS.

"Uniform Bill of Lading.

.....Railroad Company.
.....Station190

Received fromthe property described below, in apparent good condition, except as noted (contents and condition of contents of packages unknown), to be transported and delivered to the order of.....in accordance with the provisions of law and the terms of this bill of lading.

The property herein described shall not be delivered until this original bill of lading, properly indorsed, has been surrendered and canceled, or, in case of a partial delivery, a statement thereon has been indorsed hereon.

Any stipulation or indorsement on this bill of lading that it is not negotiable shall be void and of no effect.

Inspection will be permitted under this bill of lading, unless otherwise indorsed hereon, which indorsement shall be made at the time of issue by the agent, if requested by the shipper. Any alteration, addition, or erasure, fraudulent or otherwise, in this bill of lading, which shall be made without the indorsement thereof hereon, signed by the agent of

the carrier issuing this bill of lading, shall be without effect, and this bill of lading shall be enforceable according to its original tenor.

Special Marks.

Consigned to order of
 Destination
 Notify
 At

(Insert description of articles, weights, rates and routes and car numbers and initials, if in carloads.)

[Official Stamp]

.....Agent."

.....Railroad Company.
Station190

Received fromthe property described below, in apparent good order, except as noted (contents and conditions of contents of packages unknown), to be transported and delivered in accordance with the provisions of law, in like good order, to consignee.

(Insert description or articles, weight, rate, route, and car number and initials if in carload.)

[Official Stamp]

(The words "NOT NEGOTIABLE" to be printed in red ink across the face of this form.)

.....Agent."

XXI. UNIFORM BILL OF LADING.

SPRINGFIELD BOARD OF TRADE.

Resolved, That the National Board of Trade strongly favors a law providing a uniform bill of lading which shall define and affirm the liability of common carriers, and is of the opinion that such a law should be enacted without longer delay than is necessary to obtain full and accurate information on the subject.

XXII. UNIFORM BILL OF LADING.

WASHINGTON BOARD OF TRADE.

WHEREAS, The commerce of the country is hampered and retarded in its movements by the restrictions placed upon it by the common carriers through variously worded and carelessly expressed shipping receipts; and

WHEREAS, These restrictions, etc., tend to make the movement of merchandise more expensive through larger interest charges; therefore be it

Resolved, That the National Board of Trade favors the requirement of a uniform bill of lading to be used by all common carriers, and such regulation of the transportation of merchandise as will enforce its use and cause the said carriers to assume proper responsibility thereunder.

XXIII. CONSULAR REFORM.

BOSTON CHAMBER OF COMMERCE.

Resolved, That we urge upon Congress further legislation looking to the improvement of the Consular service.

XXIV. CONSULAR SERVICE.

BOSTON MERCHANTS' ASSOCIATION.

We cannot better express our wishes than by repeating our resolution of last year, as it covers the whole question.

Resolved, That while gratified by the progress made in the regulation of the service, business men should not rest content, nor cease their efforts until the service has become absolutely divorced from politics and is used wholly as sense of right and common sense would dictate for the advancement of our commerce and for the benefit of the people of our whole country.

XXV. CONSULAR REFORM.

NEW YORK PRODUCE EXCHANGE.

We commend the action of the 59th Congress tending to the improvement of our Consular service, but consider further legislation is necessary to place this important branch of the Government on the high plane of influence for the benefit of our foreign trade that is demanded by our citizens.

Resolved, That we urge Congress to enact laws providing that the merit system shall be extended to all branches of the service, and that Consuls shall be promoted, as vacancies occur, from the lower to the higher grades.

That only American citizens shall hold clerkships in our Consulates (except as interpreters may be required).

That either a Consular school shall be established to provide the necessary clerks, or that there shall be examinations held at stated intervals by the Department of State for this purpose open to all citizens between the ages of 21 and 26 years. That all applicants must be versed at least in one foreign language and able to pass a satisfactory physical examination. That those who pass shall be graded according to merit, into three classes, and after the first-grade clerks shall have served three years Consular appointments for the lower-grade Consuls must be made from the highest grade of clerks, and vacancies in the higher grade of clerks shall be filled by appointment from the next lower grade.

Resolved, That an advance in the salaries paid our Consuls is absolutely essential and will tend to the benefit of the service. Also that an annual appropriation shall be made by Congress for the purpose of purchasing permanent official residences abroad.

XXVI. CONSULAR SERVICE.

PHILADELPHIA COMMERCIAL MUSEUMS.

Resolved, That we urge again upon Congress the enactment of a law fully establishing the merit system of appointment and promotion in the Consular service and providing for suitable training of those preparing to enter the service.

XXVII. CONSULAR SERVICE.

SPRINGFIELD BOARD OF TRADE.

WHEREAS, The permanent extension of the foreign commerce of the United States demands a Consular service more intelligent in affairs of commerce, more in sympathy with the interests of American merchants and more interested in the welfare of our trade expansion.

Resolved, That the National Board of Trade urges upon Congress further legislation looking to the improvement of the Consular service.

XXVIII. DIRECTOR OF POSTS.

BALTIMORE BOARD OF TRADE.

We concur with the recommendation of Postmaster-General Meyer, that the department be reorganized on a scientific business basis, and that a director of posts be appointed who shall be the active manager of the entire postal service; and pray Congress to grant a meritorious director of the highest executive ability, free from political dependence, with power to introduce the modern up-to-date system now in universal use that will disclose millions now earned from 375 per cent. profit on one class are lost by another class.

XXIX. UNIVERSAL TWO-CENT POSTAGE.

BOSTON ASSOCIATED BOARD OF TRADE.

Resolved, That the Boston Associated Board of Trade recommends that Congress take steps toward the establishment of a universal two-cent rate for international first-class postal matter.

XXX. ONE-CENT LETTER POSTAGE.

BOSTON ASSOCIATED BOARD OF TRADE.

Resolved, That the Boston Associated Board of Trade urges a general revision of postal rates with the end in view of one-cent letter postage and such rates on other classes of postal matter as will make the service self-supporting.

XXXI. POSTAL SERVICE.

BOSTON MERCHANTS' ASSOCIATION.

The Postmaster-General having stated that from methods inaugurated, for the first time in the history of the Post-office Department it will be possible to figure intelligently the actual cost to the Government of handling the mails, and give definite results at the end of the calendar year in regard to relative costs of the different classes of mail matter and the expense to the Post-office Department of the franking privilege and of the free service rendered to the other departments.

Resolved, That the Boston Merchants' Association strongly advocates a revision of postal rates that the gross injustice may be eliminated of a large portion of our citizens being compelled to pay an enormous profit on the service rendered them, to make good the large loss caused by gratuitous service to a fortunate minority.

Resolved, That through intelligent and just revision one-cent letter postage should be made possible without loss to the Government.

Resolved, That third and fourth-class matter should be consolidated as third-class, the line of demarkation between them being an arbitrary theory only, the cost of handling being apparently the same for both classes, yet 100 per cent. higher rate being imposed on fourth-class matter.

Resolved, That the matter of parcel delivery and postal savings banks should be most carefully considered, and the disadvantages as well as the advantages duly weighed, before any definite action. It is better to be slow than sorry.

XXXII. LETTER POSTAGE.

CLEVELAND CHAMBER OF COMMERCE.

WHEREAS, Letter postage at the rate of two cents per ounce is estimated to yield to the Government an enormous profit.

Resolved, That the National Board of Trade respectfully urges an appeal to Congress for a reduction of letter postage to one cent per ounce at the earliest practicable moment.

XXXIII. SECOND-CLASS MAIL MATTER.

CLEVELAND CHAMBER OF COMMERCE.

WHEREAS, Under existing rates second-class mail furnishes more than two-thirds of the paid-for tonnage of the mails, and less than 4 per cent. of the revenue is produced by it.

Resolved, That the National Board of Trade urges upon Congress the importance of an entire reclassification of the second-class matter and a readjustment of the rates so that each class shall pay at least the cost of service rendered to it.

XXXIV. RECLASSIFICATION OF SECOND-CLASS MAIL.

NASHVILLE BOARD OF TRADE.

WHEREAS, Under existing rates "Second-Class" mail matter furnishes more than two-thirds of the paid-for tonnage of the mails, and less than 4 per cent. of the revenue is produced by it.

Resolved, That the National Board of Trade urges upon Congress the importance of an entire reclassification of the second-class matter, placing upon one basis of all printed matter, books, pamphlets, circulars and periodicals alike—excepting only the daily newspapers of the country mailed to points within a reasonable distance of the place of publication.

XXXV. ONE-CENT LETTER POSTAGE.

NASHVILLE BOARD OF TRADE.

WHEREAS, First-class mail matter furnishes approximately 80 per cent. of the revenue of the Post-office Department, and produces more than \$100,000,000 of profit per year, while it supplies less than 14 per cent. of the tonnage.

Resolved, That a reduction from 2 cents to 1 cent for the stamp required on the ordinary letter would be advantageous to business interests and would be equitable to all.

XXXVI. ONE-CENT LETTER POSTAGE.

NATIONAL HARDWARE ASSOCIATION.

Resolved, That we urge all trade bodies to co-operate with us in an effort to have a 1-cent letter postage measure adopted.

XXXVII. POSTAL AFFAIRS.

PHILADELPHIA BOARD OF TRADE.

Resolved, That the National Board of Trade has heard with interest and approval the views of the Postmaster-General, looking to an extension of the work of his Department, and that it specifically recommends the creation of a parcels post in connection with the rural free delivery at the rate of 5 cents for the first pound and 2 cents for each additional pound, with limitation of weight not to exceed 11 pounds.

Further, that it approves the establishment of a postal saving bank, with prudent limits on annual amounts to be received on deposit, and at a rate of interest not to exceed 2 per cent, provided that the moneys deposited should be placed by the Post-office Department with such National banks as may be Government depositories in districts where funds are collected.

The Board also recommends a reduction in the price of third-class mail matter from 16 cents to 12 cents per pound, and increase of weight

limit from 4 to 11 pounds, and that the fourth-class should be combined with the third, in one class and at the same rate of postage, that difficulties of discrimination may hereafter be avoided.

XXXVIII. ONE-CENT LETTER POSTAGE.

PHILADELPHIA TRADES LEAGUE.

WHEREAS, It is a matter of common knowledge among postal authorities that the prevailing charge for first-class mail matter exacts an excessively unjust profit from those who use this branch of the service.

Resolved, That the National Board of Trade reaffirms its advocacy of 1-cent letter postage as a right to which every user of first-class mail matter is justly entitled.

XXXIX. ONE-CENT LETTER POSTAGE.

SCRANTON BOARD OF TRADE.

Resolved, 1st. That the National Board of Trade again respectfully renews its appeal to Congress for a reduction of letter postage to 1 cent per ounce.

2d. That the National Board of Trade is opposed to any further extension of the postal service in the direction of what is termed parcels post, until after 1-cent letter postage shall have been obtained, believing such extension would so increase the postal deficit as to make 1-cent letter postage forever impossible.

XL. PARCELS POST.

BALTIMORE BOARD OF TRADE.

The extension of parcels post by increasing the present weight limit from 4 to 11 pounds, and reducing the rate from 16 to 12 cents per pound, is giving us what we grant twenty-four foreign nations—the recommendation to establish a special parcels post system on rural routes for packages originating on a rural route at 5 cents a pound and 2 cents for each additional pound is excellent; it gives the farmer and country merchant an 11-pound package for 25 cents, which costs the city resident \$1.32—the rural rate is now in practice in seventeen foreign countries without discrimination against the cities.

XLI. PARCELS POST.

CLEVELAND CHAMBER OF COMMERCE.

WHEREAS, A persistent agitation in favor of the establishment in this country of a carrying system for parcels under the direction of the

Post-office Department, modeled somewhat upon foreign lines, is being urged in many directions; and

WHEREAS, The National Board of Trade recognizes that circumstances in this country in regard to social conditions, length of haul, density of population, lack of monopoly of carriage, improbability of the establishment of a zone system, etc., render an extensive development here of a parcels carrying system such as exists in several foreign countries certain to entail a loss upon the Government of most serious proportions, amounting to scores of millions of dollars for equipment expenses and further involving an operating deficit of enormous proportions annually, and this whether the rate be made high or low.

Resolved, That the National Board of Trade is opposed to any legislation looking to the establishment of a parcels carrying system in connection with the Post-office Department of the country at this time.

XLII. PARCELS POST.

ITALIAN CHAMBER OF COMMERCE.

Resolved, That the voting of a law be recommended to Congress for the extension of parcels post, as advocated by Postmaster-General Meyer, and which undoubtedly and largely will benefit the commercial interests of the people of the United States, by giving them a well regulated, quick and cheap service.

XLIII. PARCELS POST.

NASHVILLE BOARD OF TRADE.

WHEREAS, Present agitation in favor of the establishment in this country of a "carrying" system for parcels under the direction of the Post-office Department, modeled somewhat upon foreign lines, is being urged in many directions; and

WHEREAS, The National Board of Trade recognizes that circumstances in this country in regard to social conditions, length of haul, density of population, lack of monopoly of carriage, improbability of the establishment of a zone system, etc., render an extensive development here of a parcels carrying system, such as exists in several foreign countries, certain to entail loss upon the Government of most serious proportions amounting to scores of millions of dollars for equipment expenses and further involving an operating deficit of enormous proportions annually, and this whether the rate be high or low.

Resolved, That the National Board of Trade is opposed to any legislation looking to the establishment of a parcels carrying system in connection with the Post-office Department of the country.

XLIV. PARCELS POST.

NATIONAL HARDWARE ASSOCIATION.

WHEREAS, The Postmaster-General has announced that he proposes to recommend a parcels post system to Congress.

Resolved, That in the name of the wholesale and retail trade of the country we protest against any character of parcels post.

XLV. PARCELS POST.

NEW YORK PRODUCE EXCHANGE.

WHEREAS, The existing parcels post system is limited in its scope and inferior in various ways to the systems now successfully in use in all important European countries; and

WHEREAS, The opposition to the extension and perfection of the present system in this country comes principally from the express companies, for obvious reasons, and also from the reason of alleged probable increased expense to the Government; and

WHEREAS, It is believed that such increased expense would soon be offset by increased revenue; and

WHEREAS, Experience of other countries has shown its great advantages to their people at large; now, therefore be it

Resolved, That the National Board of Trade recommends to Congress careful consideration of the extension of the present parcels post system in this country.

XLVI. POSTAL AFFAIRS.

PITTSBURG CHAMBER OF COMMERCE.

Resolved, That the National Board of Trade is opposed to any legislation looking to the establishment of a parcels carrying system in connection with the Post-office Department of the United States at this time, but urges upon Congress adoption of the recommendations made by the Postmaster-General in his annual report for 1906, that third and fourth-class mail matter be merged at the rate of 1 cent for two ounces, and that the limit of weight be increased to seven pounds.

XLVII. POSTAL SAVINGS BANK.

BALTIMORE BOARD OF TRADE.

We advise a careful study of the proposed postal savings bank that will encourage economy and thrift. To secure money at 2 per cent. and redeposit it in national banks at 2½ per cent., without the aid of additional clerk hire, must be profitable, and may be an element to prevent hoarding and increased circulation.

XLVIII. POSTAL SAVINGS BANK.

BOSTON ASSOCIATED BOARD OF TRADE.

Resolved, That the Boston Associated Board of Trade recommends an investigation into the subject of the establishment of postal savings regulations to foster the economies of the people under Government guarantees.

XLIX. POSTAL SAVINGS BANK.

PHILADELPHIA TRADES LEAGUE.

WHEREAS, It is generally believed that a large volume of currency is hoarded and consequently kept out of the natural channels of trade and exchange by those unfamiliar with banking facilities.

WHEREAS, The Postmaster-General has outlined a plan to encourage the deposit of such currency in postal savings banks and the redeposit of such currency in the financial institutions in the same districts, thereby insuring the healthful circulation of said currency.

Resolved, That the National Board of Trade recommends to the Congress the enactment of such legislation as will provide for the establishment of postal savings banks in accordance with the plan outlined by the Postmaster-General in his last annual report.

L. TARIFF READJUSTMENT AND THE ESTABLISHMENT OF A MAXIMUM AND MINIMUM TARIFF SYSTEM.

BALTIMORE CHAMBER OF COMMERCE.

WHEREAS, The tariff conditions in international trade have so changed as to make it advisable for the United States to meet such changes by a readjustment of its tariff schedules; and

WHEREAS, The dual tariff system of a maximum and minimum tariff gives the best basis for the negotiation of commercial or reciprocal agreements and treaties with foreign nations, by and through which the exports of American surplus products, both from soil and factory, can be thoroughly extended; now, therefore, be it

Resolved, That the National Board of Trade recommend to and urges upon Congress the adoption of legislation which will provide for the readjustment of our tariff upon a maximum and minimum basis, using the present tariff as the maximum and making concessions therefrom not to exceed 20 per centum of the present tariff charges, thus widening, but practically re-enacting, that provision of the Dingley Act which allowed a reduction of not to exceed 20 per centum from the schedule charges as fixed in that Act for the purpose of establishing reciprocal arrangements with foreign nations wishing thus to establish them with the United States.

LI. APPOINTMENT OF A PERMANENT TARIFF COMMISSION.

BALTIMORE CHAMBER OF COMMERCE.

WHEREAS, Any revision of the tariff which may be made would require careful study and analysis of all the conditions surrounding and entering into the tariff charges in the schedules sought to be amended; and

WHEREAS, The changed conditions, both at home and abroad, have indicated the necessity for a reclassification of many of the items in the present list and the possible creation of new classification in certain directions; and

WHEREAS, By reason of the great pressure of business before Congress it would hardly seem reasonable to expect that the legislative body, or any committee thereof, could give the time and attention necessary for a complete solution of all the questions entering into any readjustment of the tariff during a session of a busy Congress; now, therefore, be it

Resolved, That the National Board of Trade recommends to and urges upon Congress the passage of a bill which will provide for a permanent Tariff Commission, to be appointed by the President, which shall consist of economic, industrial and commercial experts, with power to make the investigation required, to summon and examine witnesses and to report recommendations, with an appropriation by Congress sufficient to pay salaries of the Commission and its working expenses; and be it further

Resolved, That this Commission, when it shall have finished its labors, report its conclusions and recommendations to the President.

LII. THE CUSTOMS TARIFF.

BOSTON CHAMBER OF COMMERCE.

Resolved, That Congress should at once enter upon a revision of the customs laws of the United States, to the end that useless and unjust customs taxation not needed for just protection may be abolished.

LIII. REVISION OF THE TARIFF.

BOSTON MERCHANTS' ASSOCIATION.

Recognizing the impossibility of the Congress calmly and successfully considering tariff reform during a Presidential year, yet reaffirming our belief in a scientific revision.

Resolved, That the Boston Merchants' Association urge upon all the friends of tariff reform and reciprocity to insist upon full consideration of the matter and necessary action by the Congress following the Presidential election, as suggested by the President and virtually promised by so many party leaders.

LIV. NON-PARTISAN TARIFF COMMISSION.

NEW ENGLAND SHOE AND LEATHER ASSOCIATION.

Resolved, That the New England Shoe and Leather Association urges the National Board of Trade to use its efforts and influence to secure the enactment of legislation providing for the appointment by the President of a permanent non-partisan tariff commission.

LV. TARIFF.

NEW YORK PRODUCE EXCHANGE.

WHEREAS, Since the present tariff law was enacted in 1897 material changes have taken place in the cost of manufacture and production, and inequalities have come to exist that should be corrected; therefore be it

Resolved, That the National Board of Trade memorialize Congress to provide for the appointment of a commission instructed to report back to that body such modifications of the tariff law as will tend without impairing the tariff system to increase the commerce of the country and bring the law more into harmony with present business conditions.

LVI. FREE ART.

NEW YORK PRODUCE EXCHANGE.

WHEREAS, It is important that every encouragement should be given to the education of the people in the fine arts; therefore be it

Resolved, That the National Board of Trade ask Congress to so amend the tariff law as to permit the importation of works of art free of duty when intended for public museums or art galleries.

LVII. TARIFF WITH OUR NEW POSSESSIONS.

NEW YORK PRODUCE EXCHANGE.

The National Board of Trade considers the tariff status of our possessions abroad, the Philippine Islands, the Hawaiian Islands, Porto Rico, etc., should be settled at once, and calls upon Congress to clearly define the issue.

The existing position is unsatisfactory and unsettling to both our own and their interests, as well as adversely affecting our relations with other nations.

We should either have free exchange of commodities both ways, based on these possessions being an integral part of the United States, or an adjustment along the lines of individual interest.

LVIII. RECIPROCITY.

BOSTON CHAMBER OF COMMERCE.

Resolved, That the National Board of Trade respectfully petitions the President and Congress of the United States to take immediate steps to bring about trade treaties between the United States and other countries upon broad business principles of reciprocal concessions.

LIX. RECIPROCITY.

WILMINGTON BOARD OF TRADE.

WHEREAS, The consumption of lumber has been several times the growth; and

WHEREAS, The demand for coal has been so great as to make a tremendous strain on the consumer; be it therefore

Resolved, That the National Board of Trade recommend that Congress take such action as will permit relief by some reciprocal trade arrangements with neighboring countries in connection with those commodities.

LX. CUSTOMS ADMINISTRATIVE ACT.

BOSTON CHAMBER OF COMMERCE.

Resolved, That no changes should be made in the National Customs Administrative Act of 1890, whether by new legislation or by executive construction, unless due regard be had for the interests of all citizens, whether domestic manufacturers or importers, to the end that ad valorem duties may be collected uniformly and equitably, the basis of valuation being the same for all importers, whether purchasers or consignees.

LXI. UNITED STATES BOARD OF GENERAL APPRAISERS.

BOSTON CHAMBER OF COMMERCE.

Resolved, That the law creating the Board of General Appraisers, enacted June 10, 1890, known as the Customs Administrative Act, should be amended so as to provide that the General Appraisers should not be removed from office unless on charges constituting grounds for removal, sustained before a judge of the United States District or Circuit Court, and reported to the President.

LXII. PAYMENT OF CUSTOMS DUTIES AND INTERNAL REVENUES.

ITALIAN CHAMBER OF COMMERCE.

Resolved, That collectors of customs duties and internal revenues be authorized and directed by law to accept in payment of duties and

revenues, in time of money stringency or other events, certified checks on national banks, thus avoiding the acuminating of a crisis, due to financial panic, and the increase of premium on currency, as just happened.

LXIII. DRAWBACK LAWS.

NEW YORK PRODUCE EXCHANGE.

WHEREAS, There is no question whatever that the present drawback system is antiquated and can be improved and greatly extended for the upbuilding and increase of our export business; therefore be it

Resolved, That we indorse last year's recommendation that this subject shall be referred to a commission of experts to report, or that Congress shall pass a suitable drawback law for the benefit of our manufacturers.

LXIV. IMPROVEMENT OF WATERWAYS.

BALTIMORE CHAMBER OF COMMERCE.

WHEREAS, It is an advantage to the business and commercial interest of the country to improve, for the purpose of navigation, the natural highways of commerce in the United States; and

WHEREAS, The improvements of said waterways would be an assistance to the present carriers of the country by developing trade and commerce; and

WHEREAS, The appropriations by the Federal Government in the past have been inadequate for the purpose specified; therefore be it

Resolved, That the National Board of Trade urge upon the Federal Government the continuous appropriation of large sums for the improvement of the waterways of this country.

LXV. IMPROVEMENT OF HARBORS AND INTERNAL WATERWAYS.

BOSTON ASSOCIATED BOARD OF TRADE.

Resolved, That the Boston Associated Board of Trade approves of liberal appropriations by the general Government for the improvement of the harbors and the great internal waterways of the country under a broad and comprehensive scheme of their development.

LXVI. IMPROVEMENT OF RIVERS AND HARBORS.

NASHVILLE BOARD OF TRADE.

WHEREAS, The business of this country has increased to such an extent that the railroads are unable to afford transportation adequate to the necessities of interstate commerce, and the only means of relief

is by way of water transportation, which will not only relieve the congestion now existing, but will also serve to adjust rates upon a fair and equitable basis; and

WHEREAS, It is of paramount importance that facilities be afforded for the movement of traffic, and this demands that the work of improving our waterways should go forward continuously and systematically, and for the accomplishment of this end the apportionment hitherto made of between 3 and 4 per cent. of the total appropriations of the Federal Government are totally inadequate and disproportionate; therefore be it

Resolved, By the National Board of Trade, that we do recommend that Congress appropriate for the work of improving our rivers, harbors and waterways, the sum of not less than \$50,000,000 per annum.

LXVII. IMPROVEMENT OF RIVERS AND WATERWAYS.

PHILADELPHIA BOARD OF TRADE.

WHEREAS, The people of the United States have reached a period in National development where it is important that closer consideration should be taken of the resources of its National domain than has hitherto been deemed necessary; therefore

Resolved, That the National Board of Trade urges the adoption by Congress of a general policy for the improvement of its waterways, rivers and harbors to meet the increasing demands of foreign and internal commerce.

Resolved, That in pursuit of this policy, systematic surveys should be made by the Government of the inland waters along the Atlantic seaboard to determine the cost and best means of procedure for establishing a land-locked waterway, suitable in depth for coast defense and commercial purposes, preferably of not less than twenty feet, from Massachusetts to the furthest practical point on the South Atlantic or Gulf coast and that similar steps should be taken with regard to the Pacific coast.

Resolved, That careful Government surveys should be made and continued of the Mississippi and its tributaries, with a view of equalizing its flow for purposes of navigation, drainage and flood protection.

Resolved, That such surveys as recommended should include all large bodies of swamp and flooded lands, so that the cost of reclamation may be obtained and a general policy of improvement determined.

LXVIII. IMPROVEMENT OF RIVERS, HARBORS AND INLAND WATERWAYS.

PHILADELPHIA COMMERCIAL EXCHANGE.

Resolved, That the National Board of Trade urges the necessity of regular and liberal Congressional appropriations for the prosecution of

rivers and harbors and inland waterway improvements, in a systematic manner, based on the broad necessities of the case, and sufficient in amount to permit of progressive, continuous and permanent work being done upon any projects that have been determined upon by competent authority as essential, imperative and in line with the general and comprehensive programme that may be in contemplation.

LXIX. IMPROVEMENT OF RIVERS AND HARBORS AND CANAL CONSTRUCTION.

PHILADELPHIA COMMERCIAL MUSEUMS.

Resolved, That the National Board of Trade recommends to Congress a more generous recognition of the necessity of systematic river and harbor improvement and of internal waterway construction in order to provide adequate facilities for our interstate and foreign commerce.

LXX. STATE AND MUNICIPAL DEVELOPMENT OF WATERWAYS.

PHILADELPHIA TRADES LEAGUE.

WHEREAS, The exigencies of transportation have awakened and developed keen appreciation of the great commercial advantages which are offered by adequate cheap water carriage, and have also led to a popular demand for the further improvement of all available canals, rivers and harbors; and

WHEREAS, Certain States and municipalities and corporations have expressed their willingness to make at their own expense certain improvements which the National Government, because of insufficient funds or lack of commerce, failed to make.

Resolved, That the National Board of Trade respectfully urges upon the Congress the enactment of such legislation as will insure prompt and hearty co-operation between the Federal authorities and the respective States or municipal governments, to the end that the much needed waterway improvements shall be completed at the earliest practicable moment.

LXXI. IMPROVEMENT OF THE INTERNAL WATERWAYS.

PHILADELPHIA TRADES LEAGUE.

WHEREAS, The congested condition of domestic traffic demands that prompt measures be taken to provide increased facilities by the enlargement of our waterways.

WHEREAS, The capacity of our coastwise vessels has far outgrown that of the antiquated canals connecting with the most important centres of population, finance, commerce and manufactures in the United States with their enormous tonnage.

Resolved, That the Trades League of Philadelphia recommends that the National Board of Trade heartily indorse the recent action of the Rivers and Harbors Congress in recommending that appropriations be not less than \$50,000,000 annually for the enlargement of the waterways of this country; and be it further

Resolved, That Congress is warranted in authorizing the expenditure of money as needed, and in providing for the same, if in excess of the funds available, by a bond issue similar in character to that for the building of the Panama Canal, whereby a part of the cost of these improvements will be met in a succession of years and borne by all who share the benefits.

LXXII. IMPROVEMENT OF RIVERS AND HARBORS.

SPRINGFIELD BOARD OF TRADE.

WHEREAS, The business of this country has increased to such an extent that the railroads are unable to furnish adequate transportation facilities, and the only means of relief is by way of water transportation; and

WHEREAS, It is of paramount importance that facilities be afforded for the movement of traffic, and this demands that the work of improving our waterways should go forward continuously and systematically.

Resolved, That the National Board of Trade recommends that Congress appropriate for the work of improving our rivers, harbors and waterways the sum of not less than \$50,000,000 per annum.

LXXIII. RIVERS AND HARBORS.

WASHINGTON BOARD OF TRADE.

WHEREAS, The increasing productions of our country and its enlarged domestic and foreign commerce demand all possible facilities of transportation—the free natural lines of transportation are its rivers and harbors—all such available waters for water-borne commerce should be kept open and in condition for transportation; therefore

Resolved, That the National Board of Trade urges upon Congress adequate yearly appropriations for that purpose.

LXXIV. IMPROVEMENT OF INTERNAL WATERWAYS

WILMINGTON BOARD OF TRADE.

WHEREAS, The existing conditions of the business interests of this country, due largely to the inability of our limited transportation facilities to properly handle and economically transport the large freight movement of our country, calls for some speedy and permanent relief, as it has been freely admitted by many of our commercial bodies and

students of this problem that the only practical and permanent relief must come through the improvement of our internal waterways; be it therefore

Resolved, That the National Board of Trade recommend that the National Congress be urged to consider a plan to establish and maintain a system of inland waterways from Cape Cod to the Gulf.

LXXV. INTERNATIONAL ARBITRATION.

NASHVILLE BOARD OF TRADE.

WHEREAS, The substitution of arbitration for war as a means for settlement of international disputes is consistent with relations of dignity between civilized nations, and is demanded for avoidance of wastages of the results of productive human effort, and by every rational consideration based on features of humanity and morality; therefore

Resolved, That the efforts which have been made and are being made in this and other countries for securing arbitration arrangements for settlement of international disputes are hereby recognized as in the highest degree promotive of civilization and of the world's welfare, and that the continuance of such efforts is commended for the good of the present and later generations of mankind.

Resolved, That the ratification of treaties with other governments by the United States, which contemplate the adjustment of differences as far as possible by arbitration, is a matter of high importance to the interests of international commerce and humanity, and is heartily indorsed by this body.

Resolved, That all who have in charge the training of children and the preparation of books for their guidance should make use of such means for emphasizing the desirability of peace with its many and easily recognized blessings rather than the magnificent and costly barbarity of war.

LXXVI. INTERNATIONAL ARBITRATION OF DIFFERENCES BETWEEN NATIONS.

NEW YORK PRODUCE EXCHANGE.

The failure of the recent Hague Peace Conference to create a general arbitration peace court is to be regretted.

We believe the enormous armaments on land and sea now being maintained and steadily increased by the leading nations of the earth must in the long run prove a menace to the world's peace and advancement.

This country, by reason of its geographical position and recognized disinterested standing in favor of adjusting international differences by arbitration, can properly continue to take the lead in advocating its general adoption, but specially does it behoove us to show our sincerity

by endeavoring to speedily arrange ourselves as many such treaties as possible with other nations; be it therefore

Resolved, That the National Board of Trade call upon our Government to take the necessary steps without delay to open negotiations with all different countries for this purpose.

LXXVII. INTERNATIONAL ARBITRATION.

PHILADELPHIA TRADES LEAGUE.

Resolved, That the National Board of Trade reaffirms its belief that the destruction of wealth, and the human misery attendant upon warfare, may be greatly diminished by the extension of the method of arbitration in the settlement of disputes between nations.

While we regret that a convention for a general arbitration treaty failed at the late Hague Conference, we note with satisfaction that the principles of obligatory arbitration was unanimously adopted thus indicating that some plan of a general arbitration treaty, even though limited in scope, will eventually succeed.

We commend the efforts of the delegates from the United States to forward such a treaty, and especially to give the Hague Tribunal a more judicial character, and to place it on a more permanent basis; and we urge our Government to use all possible means to accomplish these important ends.

LXXVIII. NATIONAL CURRENCY SYSTEM.

BALTIMORE BOARD OF TRADE.

WHEREAS, The recent serious disturbance in the money market demonstrated that our present currency system is inadequate to the requirements of the business of this country.

Resolved, That the National Board of Trade is hereby requested to use its great influence in inducing Congress to enact such laws as will correct present conditions.

LXXIX. ELASTIC CURRENCY.

BOSTON ASSOCIATED BOARD OF TRADE.

Resolved, That the Boston Associated Board of Trade recommends that Congress be urged to take speedy action to effect such elasticity of the national currency as will meet changing conditions of trade and commerce.

LXXX. CURRENCY REFORM.

BOSTON CHAMBER OF COMMERCE.

WHEREAS, Under the restrictions remaining from the law of 1882, whereby a national bank is prohibited from increasing its circulation,

if during the preceding six months it shall have deposited lawful money for the purpose of retiring its notes; and

WHEREAS, The provisions limiting the aggregate amount of circulation that may be retired by all the banks to \$9,000,000 per month is inadequate for needed contraction in times of redundant currency and discourages the issue of notes in times of stringency.

Resolved, That the National Board of Trade hereby recommends that all existing restrictions upon the issue and retirement of national bank circulation under the law of July 12, 1882, in Section 9, be repealed.

LXXXI. CURRENCY.

BOSTON MERCHANTS' ASSOCIATION.

The present conditions in the financial world having shown the absolute necessity of a more elastic currency.

Resolved, That the Boston Merchants' Association urges Congress to enact during the present session, after careful consideration, with the end of determining the most efficient and safest method legislation that with proper safeguards will insure ample currency in time of stress; with sufficient tax to serve the double purpose of a guaranty fund and to compel the retirement almost automatically of the surplus currency when no longer needed for the proper conduct of business.

LXXXII. CURRENCY SYSTEM.

ITALIAN CHAMBER OF COMMERCE.

Resolved, That it be recommended to Congress to pass a law by which the currency system be brought to such an efficiency as to meet the requirements which the marvelous agricultural, industrial and commercial development of the United States is entitled to, or will otherwise be suffocated by reason of a currency not proportionate to the volume of business.

LXXXIII. NATIONAL CURRENCY.

NEW YORK PRODUCE EXCHANGE.

WHEREAS, It is of vital importance to the commercial interests of the country that the national currency shall be made more responsive to actual business conditions; therefore be it

Resolved, That the National Board of Trade memorialize Congress to enact such legislation as will

(1) Give to any national bank discretionary power to issue notes, subject to rules and regulations determined by the Comptroller of the Currency, to an amount equal to 40 per cent. of its bond secured circulation, but not to exceed 25 per cent. of its capital, without, however, being required to deposit any bonds with the Government against such

issue; the Government to guarantee the issue thus provided for, which shall be subject to a tax of not less than 5 per cent. until redeemed at the Treasury. . .

(2) Provide for repealing the provision restricting the retirement of national bank notes.

(3) Provide that all public moneys from whatever source derived, save a reasonable working balance, shall be currently deposited from day to day in national banks, which shall pay interest thereon at the rate of 2 per cent.

(4) Provide for the prompt retirement of notes when not needed by establishing redemption agencies at the Sub-Treasuries and other convenient points.

LXXXIV. BANKING AND CURRENCY LAWS.

PHILADELPHIA BOARD OF TRADE.

WHEREAS, The recent acute financial conditions did not arise from any anxiety as to the safety of the National currency, but were the growth of a fear for the safety of money on deposit; therefore

Resolved, That in any financial legislation that may be under discussion, Congress should exercise extreme care to avoid action that may tend to impair confidence in the currency, and should rather direct attention to such improvement of the National Banking Act as will impose more stringent rules for the maintenance of an adequate average banking reserve throughout the whole country and thereby increase the security of deposits and credit of the banks.

LXXXV. REMEDIAL CURRENCY LEGISLATION.

PHILADELPHIA TRADES LEAGUE.

WHEREAS, The recent financial panic has graphically demonstrated the latent power of demoralization inherent in the inelastic feature of our currency system, as evidenced by impairment of the market value of securities; interruption to the normal development of important industries; curtailment of the aggregate earning power of wage earners and forcing the Government to issue war bonds in time of peace, and certificates of indebtedness in face of an overflowing treasury, for the sole purpose of averting national disaster which was largely due to the inelastic feature of our currency system; and

WHEREAS, Fear upon the part of the banking interests that they could not promptly command an adequate amount of currency in case of emergency led to a disproportionate hoarding of currency by said interests, and also led to the curtailment of usual commercial accommodations and the suspension of cash payments; and

WHEREAS, Said action by the banking interests in suspending cash payment is generally believed to have been a vital factor in undermining public confidence in the solvency of financial institutions, and in justifying the fear that depositors could not secure their cash when needed, thereby logically causing the withdrawal of many deposits and the hoarding of such sums in unremunerative places of hiding or safe keeping; and

WHEREAS, It is believed that a wise system of "elastic" or "emergency" currency would have largely eliminated the aforementioned fear upon the part of the banking interests and thereby avoided the curtailment of commercial accommodations and the suspension of cash payments.

Resolved, That the National Board of Trade respectfully submits to the Congress consideration of the following suggestions based upon the recent financial experience:—

First. The prompt enactment, after reasonable discussion, of remedial currency legislation which will carry into effect the recommendation of the Secretary of the Treasury "to provide under Government guaranty a greater elasticity to the currency—something which shall be automatic in its operation and which shall tend to equalize rates of interest, not only in different sections of the country, but at different periods of the year."

Second. The appointment of a Congressional Commission to thoroughly investigate the leading financial systems of the world for the purpose of ascertaining, after mature consideration, whether a financial system could be devised which would more satisfactorily meet the requirements of the varied commercial and financial interests of this country.

LXXXVI. ELASTIC CURRENCY.

PITTSBURG CHAMBER OF COMMERCE.

WHEREAS, There is a necessity for an increased amount of money during certain seasons of the year, especially during crop-moving time and during financial excitement such as the present, and since it has been fully demonstrated that our present system of currency, although perfectly safe, is not elastic enough to meet the requirements of our vast country; be it therefore

Resolved, That the National Board of Trade respectfully urges upon our Senators and Congressmen the necessity of such amendments to the National Bank Act as will provide a currency that will fully meet the demands of our growing country; a currency that can be expanded or contracted to meet the varying conditions, of trade, agriculture and commerce.

LXXXVII. INCREASE IN THE VOLUME OF OUR NATIONAL CURRENCY.

SCRANTON BOARD OF TRADE.

WHEREAS, The recent and ever-recurring crises in the money market demonstrates that there is not a sufficient volume of the circulating medium in existence to meet the demands of our enormous business and trade exchanges; therefore

Resolved, By the National Board of Trade, that the Congress be requested to amend the national banking laws as follows:—

(a) Requiring all national banks to issue and maintain in circulation a volume of currency equal to at least two-thirds of their capital stock.

(b) Permitting all national banks to issue currency based upon approved asset security, to an amount not exceeding three-fourths of their combined capital stock and surplus, which currency shall be taxed at such a rate as will insure its rapid retirement whenever emergency conditions which call it forth shall have subsided.

LXXXVIII. NATIONAL CURRENCY.

WILMINGTON BOARD OF TRADE.

WHEREAS, The financial institutions of the country have been greatly embarrassed by the recent monetary disturbances, and in consequence business interests have been seriously impaired; and

WHEREAS, It is of vital importance that our currency system should be so improved that the recurrence of these disturbances would be prevented; be it therefore

Resolved, That the National Board of Trade memorialize Congress to enact such legislation during its next session as will provide an adequate supply of currency for the proper requirements of the business of the country at all times.

LXXXIX. JAPANESE EXCLUSION.

BOSTON CHAMBER OF COMMERCE.

Resolved, That the National Board of Trade is strongly opposed to any and all legislation intended to discriminate against Japan or her citizens, but on the contrary it is believed that every effort should be made to cultivate and promote the most intimate commercial relations between the two countries, and that all privileges now enjoyed by the most favored nations should continue to be extended to the Japanese.

XC. IMMIGRATION.

PHILADELPHIA COMMERCIAL MUSEUMS.

WHEREAS, Economic conditions may lead to an extension of our present policy toward exclusion of Oriental labor.

Resolved, That we reaffirm that professional men, students and merchants from Oriental countries should be accorded the same privileges in entering this country as are enjoyed by the citizens of other nations.

XCI. IMMIGRATION LAWS.

NASHVILLE BOARD OF TRADE.

WHEREAS, The United States Government from its inception has extended a welcome to worthy immigrants from almost every nation on the earth; and

WHEREAS, Immigration has been a great factor in populating this great country, developing its resources and building up its manufacturing interests; and

WHEREAS, Immigrant labor is still greatly needed in the development of the South and West and in furnishing common labor to the manufacturing plants of the East; and

WHEREAS, Practically all of the Southern States have established and made appropriations for immigration commissions; and

WHEREAS, The present urgent need is more equal distribution rather than a restriction of immigration.

Resolved, By the National Board of Trade, that any legislation at this time which would exclude or restrict worthy immigrants (other than those excluded under our present immigration laws) from this country would be detrimental to the best interests of this nation.

Resolved, That in order to prevent the undue concentration of immigrants in some parts of our country, and to encourage their better distribution in sections where conditions may be more favorable, the United States Government affords to the separate States and Territories opportunity to furnish to incoming immigrants at the ports of entry, and also, so far as many be found practical before their arrival in this country, trustworthy information regarding the resources and the conditions of life and labor which confront the followers of different occupations in various States and Territories.

Resolved, That we recommend to Congress that it furnish sufficient means to the Commissioner-General of Immigration to improve the facilities for handling immigration at the South Atlantic and Gulf ports, in order, especially to promote the better distribution of immigration over the South and Southwest.

Resolved, That the Commissioner-General of Immigration and the Federal Government should co-operate with all State Commissions on this subject, to the end that by proper unity of action all desirable objects should be more effectively and speedily secured.

XCII. CHINESE IMMIGRATION LAWS.

NEW YORK BOARD OF TRADE AND TRANSPORTATION.

Resolved, That we deprecate all unnecessary harshness in the administration of the laws, rules and regulations governing the admission of the exempt classes of Chinamen into the United States, and believe that all Chinese travelers, merchants, traders and students should be admitted upon the presentation of passports issued by American officials in China.

XCIII. NATIONAL PRESERVATION OF FORESTS.

PHILADELPHIA BOARD OF TRADE.

Resolved, That the National Board of Trade commends the policy and performance of the administration in the preservation of the National forests and redemption of arid lands, and recommends the increase of forest ownership by establishing the proposed Appalachian reserve, and recommends that measures for reforestation be urgently pushed forward.

XCIV. FORESTRY AND IRRIGATION.

PHILADELPHIA COMMERCIAL MUSEUMS.

Resolved, That the National Board of Trade reaffirms its belief in the great importance of forest reserves and irrigation of desert areas to the future welfare of the nation, and urges on Congress a vigorous policy toward that end.

Resolved also, That the National Board of Trade earnestly favors the creation of the Southern Appalachian and the White Mountain forest reserves.

XCV. FEDERAL FOREST RESERVES.

SPRINGFIELD BOARD OF TRADE.

WHEREAS, Production of manufactured goods depends largely upon the preservation and perpetuation of the water powers of the Southern Appalachian and White Mountain regions, in which regions hundreds of millions of dollars are now invested in manufacturing enterprises; therefore be it

Resolved, That this preservation and perpetuation can be best effected by the passage by Congress of a bill similar to the Southern Appalachian and White Mountain Forest Reserve Bill considered by the Fifty-ninth Congress.

Resolved, That the National Board of Trade earnestly advocates the passage of such a bill.

XCVI. PRESERVATION OF NATURAL RESOURCES.

WILMINGTON BOARD OF TRADE.

WHEREAS, The great natural resources of our country are being dissipated for the purpose of present profit and without regard to future good; and

WHEREAS, The ordinary exercise of business methods and our duty to the generations of Americans who will follow us demand that such natural resources should be protected; be it therefore

Resolved, That the President and the Congress be urged to take all legal steps possible to prevent the dissipation of our natural resources to the end that the same may be preserved as far as may be for the use of the needs of our people and the good of our country.

XCVII. GOVERNMENT INSPECTION OF GRAIN.

BALTIMORE CHAMBER OF COMMERCE.

WHEREAS, A bill having been introduced into the United States Senate "to provide for the inspection and grading of grain entering into interstate commerce, and to secure uniformity in standards and classification of grain, and for other purposes"; and

WHEREAS, The passage of any measure disturbing the present system of Board of Trade inspection, under which the present grain trade of the country has been built up, would be injurious to the best interests of the producer, dealer and foreign buyer; therefore

Resolved, That this body hereby declares its belief that the inspection of grain by the National Government at terminal markets would be detrimental to the agricultural interests and the grain trade of the country, and that it is absolutely and unalterably opposed to any attempt to exercise Government inspection of grain; we also declare in favor of having the inspection in all terminal markets under the supervision and control of the commercial organizations of such markets.

XCVIII. FEDERAL GRAIN INSPECTION.

BOSTON CHAMBER OF COMMERCE.

WHEREAS, Bills have been introduced into Congress authorizing the Secretary of the Department of Agriculture to establish a system of Federal grain inspection, intended to supersede the existing systems now controlled and operated by the various States, Boards of Trade and Chambers of Commerce of the country.

Resolved, That the National Board of Trade is opposed to the proposed legislation and the establishment of any system of National inspection that can not in any way protect or benefit the consumer, for the reason that the unit of inspection is the carload in bulk, while the unit of distribution to the consumer is the two-bushel bag.

XCIX. UNIFORM INSPECTION OF GRAIN.

NASHVILLE GRAIN DEALERS' EXCHANGE

Resolved, That we are unalterably opposed to Federal supervision or control of inspection on interior shipments of grain; and, further,

Resolved, That we strongly advocate, desire and recommend the institution of a uniform system of inspection and grading as outlined by the committee from the Grain Dealers' National Association.

C. FEDERAL INSPECTION OF GRAIN.

NEW YORK PRODUCE EXCHANGE.

The recognized worth and value of American certificates of inspection of grain must be beyond question.

Federal inspection has been advocated and bills to bring this about have been introduced in Congress; and

WHEREAS, We consider the present methods of inspection under men of great experience, years of training, and who are paid large salaries, has worked well in the past and should be continued for the best interests of the country; therefore be it

Resolved, That the National Board of Trade record itself as opposed to Federal inspection.

CI. AMENDMENTS TO ANTI-TRUST LAW.

BALTIMORE CHAMBER OF COMMERCE.

WHEREAS, It appears from the debates in Congress that the intent and purposes in enacting the Sherman Anti-Trust Law was to prohibit contracts in unreasonable restraint of trade, but not to impose burdens upon the business interests of the country by prohibiting contracts not in unreasonable restraint of trade; and

WHEREAS, The earlier interpretation of said act by the courts was in accord with such intent; and

WHEREAS, The more recent utterances of the Supreme Court of the United States and other judicial tribunals interpreting and construing said act make it apply to all the acts, contracts or agreements however slight in restraint of trade; and

WHEREAS, The strict enforcement of such laws, according to the present judicial interpretation hampers and hinders free trade and commerce among the several States; and

WHEREAS, Commercial necessities and business interests demand that they be permitted to make contracts and agreements in reasonable restraint of trade; therefore be it

Resolved, That the National Board of Trade urges upon Congress the passage of such amendment to the Act of July 2, 1890, commonly called the Sherman Act, and to the Act of August 27, 1894, commonly

called the Wilson Act, as will permit merchants to make contracts and agreements not in unreasonable restraint of trade and commerce among the several States.

CII. FAVORING LAWFUL AGGREGATIONS OF CAPITAL.

NASHVILLE BOARD OF TRADE.

WHEREAS, The National Board of Trade recognizes the value and importance of incorporated capital in carrying on the industries of the country and in the development of projects too large for individual enterprise; be it therefore

Resolved, That the National Board of Trade deplores and deprecates an unnecessary agitation which stirs up class hatred and feeling, and hereby expresses its confidence in associations lawfully organized and conducted in the interests of the public.

Resolved, That a copy of these resolutions be sent to the members of Congress and to the influential press of the country.

CIII. EXCESSIVE REGULATION OF PRIVATE BUSINESS.

NASHVILLE BOARD OF TRADE.

Resolved, That in our opinion State and Federal Governments are tending to excessive regulation of private business, with the result that commerce is being hampered and restrained and the cost of all products unnecessarily increased to the consumer.

CIV. COMBINATIONS AND TRUSTS.

PHILADELPHIA TRADES LEAGUE.

Resolved, That the Trades League of Philadelphia recommends that the National Board of Trade urge upon Congress, without delay, to pass legislation providing for a non-partisan commission, in which the interests of capital, of labor and of the general public shall be represented, said commission to consider the entire subject of business and industrial combinations, and report such proposals as to the formation, capitalization, management and regulation of corporations (so far as the same may be subject to Federal jurisdiction) as shall preserve individual initiative, competition and the free exercise of a free contract in all business and industrial relations. Any proposed legislation should also include modification of the prohibition now existing upon combinations on the following subjects:—

1. National and local organizations of labor and their agreements with employers relating to wages, hours of labor and conditions of employment.

2. Associations made up of farmers, intended to secure a stable and equitable market for the products of the soil, free from fluctuations due to speculation.

3. Business and industrial agreements or combinations whose objects are in the public interest as distinguished from objects determined to be contrary to the public interest.

CV. BUSINESS AND INDUSTRIAL CORPORATIONS' COMMISSIONS.

PITTSBURG CHAMBER OF COMMERCE.

Resolved, By the National Board of Trade, that Congress be urged to pass legislation providing for a non-partisan commission in which the interests of capital, of labor, and of the general public shall be represented. This commission shall consider the entire subject of business and industrial combinations and report such proposals as to the formation, capitalization, management and regulation of corporations (so far as the same may be subject to Federal jurisdiction) as shall preserve individual initiative, competition, and the free exercise of a free contract in all business and industrial relations.

CVI. THE DEPARTMENT OF GOVERNMENT CONSTRUCTION AND IMPROVEMENT.

NEW YORK BOARD OF TRADE AND TRANSPORTATION.

Shall a new Government department, with a Cabinet officer at its head, be created to take charge of all national rivers and harbors improvements and all other construction work under the United States Government, and to have jurisdiction over the navigable waters of the United States?

The vast and increasing importance of the navigable waters of the country and the enormous sums of money to be necessarily expended upon public works and improvements demand that the initiation of improvement projects, their promotion, planning, construction and supervision shall be methodized and conducted upon a business basis and placed under one administrative department of the Government expressly organized for the requirements of such public work and unhampered by other functions which are foreign to such work.

CVII. BUSINESS DISTURBANCE IN PRESIDENTIAL CAMPAIGNS.

BALTIMORE CHAMBER OF COMMERCE.

WHEREAS, The history of the country shows that business interests and trade and commerce of the United States are disturbed during the year in which the Presidential campaign is conducted; and

WHEREAS, During the past year there has been great shrinkage in financial values, also trade and commerce has suffered from many causes, and in some instances measures intended to remedy existing evils have even produced a contrary effect; therefore be it

Resolved, That the National Board of Trade looks with disfavor upon any proposition by which the commercial and business interests of the country will be affected during the coming campaign or by which uncertainty concerning the policy of the Government shall exist.

CVIII. INCREASE OF AGRICULTURAL APPROPRIATIONS.

NASHVILLE BOARD OF TRADE.

It is conceded that the basis of the nation's prosperity is agriculture; that the condition of the country's crops more vitally affects the hopes and fears of the manufacturing, commercial and financial world than any other cause or condition. It is self-evident that such an interest should be most carefully guarded and fostered by a Government that seeks the well-being of its citizens. It would seem, however, that other interests not so important have received vastly more of attention and money. By way of comparison, for example, in the year 1906 the Congress appropriated in round numbers for the navy \$102,000,000, for the army \$71,000,000, for pensions \$140,000,000, and for kindred objects over \$15,000,000; that is, for war and its appurtenances over \$328,000,000, while for agriculture it appropriated only \$9,000,000; therefore be it

Resolved, That the National Legislature is invited to consider the legitimate demands of our farming interests, as compared with other matters which have been the recipients of so much greater expenditure, and to more justly apportion the benefits and fostering care of Government.

Resolved further, That Congress should be urged to increase the agricultural appropriations until proper experiment stations shall be established in each community whose climate or soils present peculiar problems.

CIX. EXPERIMENTAL COLD STORAGE PLANT.

AMERICAN WAREHOUSEMEN'S ASSOCIATION.

WHEREAS, The Department of Agriculture is seriously hampered in its investigation of the effects of cold storage on the nutrient value and digestibility of food products by want of proper cold storage facilities; and

WHEREAS, These investigations are of the highest importance to the welfare of our nation in the determination of the time that each product can be preserved and the conditions under which it can be so preserved; therefore be it

Resolved, That the National Board of Trade hereby reaffirms and emphasizes its recommendation heretofore made: that the Congress appropriate a sufficient sum to enable the department to construct, properly equip and maintain an experimental cold storage plant for this purpose.

CX. AMENDMENT TO THE REGULATIONS ENFORCING THE FOOD AND DRUG ACT.

ITALIAN CHAMBER OF COMMERCE.

Resolved, That the Food and Drug Inspection Board amend some sections of the regulations which are in open disaccordance with the spirit, and even with the text itself of the law, creating arbitrary and unconstitutional handicap to the import trade.

CXI. ADOPTION OF THE METRIC SYSTEM.

ITALIAN CHAMBER OF COMMERCE.

Resolved, That it be recommended to Congress to pass a law establishing the actual use of the metric decimal system of weights and measures and the exclusion of the system of weights and measures now in use.

CXII. COMMERCIAL EDUCATION.

PHILADELPHIA COMMERCIAL MUSEUMS.

Resolved, That the National Board of Trade reaffirms its belief in the need of increased facilities for commercial education in this country.

Resolved further, That it is the sense of this body that such facilities are desirable, not only in our colleges and universities, but also in our public school system.

CXIII. THE PHILIPPINE ISLANDS.

BOSTON CHAMBER OF COMMERCE.

Resolved, That while the Philippine Islands remain subject to the United States, all customs duties on imports from said islands should be abolished.

The Secretary announced that the council, at its session this morning, under the authority of the by-laws had by a unanimous vote added the two following propositions to the official programme, to be referred to the appropriate committees when formed:—

CENSUS OF STANDING TIMBER.

PHILADELPHIA BOARD OF TRADE.

To the Honorable the Senate and House of Representatives in Congress assembled:—

This Memorial of the National Board of Trade respectfully represents:

That the rising cost of lumber is causing great anxiety throughout the country;

That according to official experts, this advance is due to the increasing scarcity of supply and various dates have been given as to the probable exhaustion of the timber resources of the United States at the present rate of consumption.

That it is the part of business wisdom to secure from a reliable source the timber stumpage of the United States, which has been estimated by many at varied figures, in most part doubtless incorrect and misleading.

That it is due to the country that it should learn of the amount of standing forest timber, not as a result of guesses or unscientific estimates, but through the means of the machinery existing in the Bureau of the Census and in the Forest Service of the United States;

That it is understood the Forest Service will willingly co-operate with the Bureau of Census in securing an accurate estimate of the timber resources of the country; therefore

Your Memorialist, the National Board of Trade, respectfully petitions your Honorable Bodies to so legislate as to authorize the Bureau of the Census and the Forest Service to incorporate this work in the census of the year 1910, to the end that reliable data may be secured as to the amount of standing forest timber, as a basis for the future as to prices and needed legislation to remedy abuses and prevent a dreaded timber famine.

FEDERAL INSPECTION OF GRAIN.

THE PHILADELPHIA COMMERCIAL EXCHANGE.

Resolved, That this Exchange is unalterably opposed to Government inspection of grain, believing it to be not only impracticable, but unjust and impossible of proper application to the requirements of the commerce of the country.

LIST OF COMMITTEES.

The Chair, through the Secretary, announced the list of committees as follows:—

AMERICAN MERCHANT MARINE, PROPOSITIONS I TO VIII.

F. H. VIAUX, Boston; JAMES R. CARTER, Boston; G. WALDO SMITH, New York; WILLIAM HARRIS DOUGLAS, New York; E. R. WOOD, Philadelphia; W. W. FOULKROD, Philadelphia; E. L. HITCHCOCK, Scranton; JOHN JOY EDSON, Washington; WM. T. ANDERSON, Norfolk; THOS. J. BRODNAX, Kansas City; W. B. LIVEZEY, Newport News.

INTERSTATE COMMERCE AND RAILROAD TRANSPORTATION, PROPOSITIONS IX TO XVI.

DOUGLAS M. WYLIE, Baltimore; CLINTON WHITE, Boston; PHILIP GODLEY, Philadelphia; N. B. KELLY, Philadelphia; SAMUEL G. DOUGLAS, Nashville; E. R. CARHART, New York; H. T. NEWCOMB, Washington; H. C. REYNOLDS, Scranton; CHAS. J. JONES, Boston.

UNIFORM BILL OF LADING, PROPOSITIONS XVII TO XXII.

A. M. READ, Washington; CHARLES ENGLAND, Baltimore; F. H. VIAUX, Boston; E. R. CARHART, New York; HENRY H. BOWMAN, Springfield; W. P. VAN WICKLE, Washington; WM. T. ROLPH, Philadelphia; GEO. T. COPPINS, Boston.

CONSULAR SERVICE, PROPOSITIONS XXIII TO XXVII.

CHAS. S. HAMLIN, Boston; AMORY A. LAWRENCE, Boston; CHAS. W. MCCUTCHEN, New York; WM. P. WILSON, Philadelphia; C. HENRY HATHAWAY, Springfield; WALLACE C. GOFFE, Kansas City; C. ALFRED BURHORN, Hoboken; DANIEL P. MORSE, Boston; GEORGE W. SPARKS, Wilmington; WM. T. ROBINSON, Philadelphia; JOHN JAY EDSON, Washington

POSTAL AFFAIRS, PROPOSITIONS XXVIII TO XXXIX.

ROBERT RAMSAY, Baltimore; F. H. VIAUX, Boston; JAS. R. CARTER, Boston; A. T. ANDERSON, Cleveland; P. M. ESTES, Nashville; JOHN M. HARPER, Philadelphia; FINLEY ACKER, Philadelphia; F. L. HITCHCOCK, Scranton; W. H. GIBSON, New York; F. P. MAY, Washington.

PARCELS POST, PROPOSITIONS XL TO XLVI.

C. W. BURROWS, Cleveland; ANTONIO ZUCCA, New York; E. S. SHANNON, Nashville; T. JAMES FERNLEY, Philadelphia; EDW. FLASH, JR., New York; A. J. LOGAN, Pittsburg; FINLEY ACKER, Philadelphia.

POSTAL SAVINGS BANKS, PROPOSITIONS
XLVII TO XLIX.

JOHN G. CROXTON, Philadelphia; PHILIP GODLEY, Philadelphia; WM. J. COOPER, Camden; ROBERTO FALCHERO, New York; ERNEST W. ROBERTS, Lynn; F. C. NUNEMACHER, Louisville.

TARIFF AND RECIPROCITY, PROPOSITIONS
L TO LIX.

LOUIS MULLER, Baltimore; GEO. T. COPPINS, Boston; JAS. R. CARTER, Boston; GEORGE F. DANIELS, Boston; WM. H. DOUGLAS, New York; DANIEL D. MORSS, Boston; FRANK G. CROWELL, Kansas City; JOHN W. CRADDOCK, Lynchburg; EVERETT H. DUNBAR, Lynn; EGISTO MARIANA, New York; F. C. NUNEMACHER, Louisville.

CUSTOMS ADMINISTRATIVE ACT, PROPOSITIONS
LX TO LXIII.

CHARLES S. HAMLIN, Boston; ANTONIO ZUCCA, New York; EDW. FLASH, JR., New York; E. J. LAVINO, Philadelphia; SWAGER SHERLEY, Louisville.

RIVER AND HARBOR IMPROVEMENT, PROPOSITIONS
LXIV TO LXXIV.

DOUGLAS M. WYLIE, Baltimore; F. H. VIAUX, Boston; SAMUEL G. DOUGLAS, Nashville; HENRY A. FRY, Philadelphia; E. L. ROGERS, Philadelphia; W. S. HARVEY, Philadelphia; LEWIS M. HAUPT, Philadelphia; HENRY H. BOWMAN, Springfield; A. P. FARDON, Washington; W. D. MULLEN, Wilmington; A. G. FORBES, Montgomery; W. W. FOULKROD, Philadelphia; W. H. STEVENSON, Pittsburg; W. H. GIBSON, New York.

INTERNATIONAL ARBITRATION, PROPOSITIONS
LXXV TO LXXVII.

P. M. ESTES, Nashville; CHAS. W. MCCUTCHEN, New York; MAHLON N. KLINE, Philadelphia; W. P. WILSON, Philadelphia; H. C. REYNOLDS, Scranton.

NATIONAL CURRENCY, PROPOSITIONS LXXVIII
TO LXXXVIII.

JOHN M. NELSON, Baltimore; H. W. PEABODY, Boston;
AMORY A. LAWRENCE, Boston; ARTHUR BAUR, New York;
J. P. TRUESDELL, New York; E. J. LAVINO, Philadelphia;
FINLEY ACKER, Philadelphia; A. J. LOGAN, Pittsburg; F. L.
HITCHCOCK, Scranton; THOS. H. SAVERY, Wilmington; HENRY
H. BOWMAN, Springfield; CHAS. B. LAWSON, New York.

IMMIGRATION, PROPOSITIONS LXXXIX TO XCII.

DANIEL D. MORSS, Boston; WM. P. WILSON, Philadelphia;
SAMUEL G. DOUGLAS, Nashville; G. WALDO SMITH, New
York; DANIEL BAUGH, Philadelphia; THOMAS F. BAYARD,
Wilmington; W. F. VANDIVER, Montgomery.

FORESTRY AND IRRIGATION, PROPOSITIONS
XCIII TO XCVI; ALSO PROPOSITION
PHILADELPHIA BOARD OF TRADE.

S. B. VROOMAN, Philadelphia; W. S. HARVEY, Philadelphia;
C. HENRY HATHAWAY, Springfield; IRENÉE DU PONT, Wil-
mington; G. GROSVENOR DAWE, Montgomery; H. C. REYNOLDS,
Scranton.

FEDERAL GRAIN INSPECTION, PROPOSITIONS
XCVII TO C; ALSO PROPOSITION PHILADEL-
PHIA COMMERCIAL EXCHANGE.

CHARLES ENGLAND, Baltimore; DANIEL D. MORSS, Boston;
SAMUEL G. DOUGLAS, Nashville; J. P. TRUESDELL, New York;
E. L. ROGERS, Philadelphia; ALBERT McCULLOUGH, Cincinnati.

CORPORATION LEGISLATION, PROPOSITIONS
CI TO CV.

LOUIS MULLER, Baltimore; P. M. ESTES, Nashville; JOHN
G. CROXTON, Philadelphia; E. A. KITZMILLER, Pittsburg;
ALFRED CLUM, Cleveland; F. H. GILLET, Springfield;

ALPHONSE WEINER, New York; HARRY WEISSINGER, Louisville.

The foregoing list of committees was adopted by the Board.

VISIT OF COURTESY TO THE PRESIDENT OF THE UNITED STATES.

Mr. MARVEL, of Wilmington.—I desire to announce, Mr. President, that at 2.30 o'clock to-morrow afternoon the President of the United States will receive, by card only, the delegates to this convention. Cards can be procured to-morrow morning.

BANQUET.

Mr. MARVEL, of Wilmington.—I desire to announce, further, that a banquet has been arranged for to-morrow night at 7.30 o'clock, at which Vice-President Fairbanks, Speaker Cannon, Secretaries Straus and Meyer, Attorney-General Bonaparte and other distinguished gentlemen will be present. I also announce that seats can be secured for ladies, who will be welcome to the banquet from the beginning, and that those who are not able to attend the banquet at the beginning will have seats reserved for them in the banquet-hall, where they can hear the addresses given later.

HOURS OF MEETING.

On motion of Mr. G. WALDO SMITH, of New York, it was:

Resolved, That when the National Board of Trade adjourns upon any day without any other time being specified, it shall be until the hour of 9.30 A. M. of the next day; and whenever it takes a recess upon any day, unless otherwise ordered, it shall be until the hour of 2.30 o'clock P. M. of the same day.

REPORT OF THE COMMISSIONER.

The PRESIDENT.—Gentlemen, we will now have read the report of your Commissioner.

Commissioner READ.—Mr. President and gentlemen of the association, your Commissioner has no formal report to make.

He was appointed, as you will remember, to keep an office in the city of Washington. That office has been kept, and your Commissioner has performed all the duties assigned to him during the year. The most of them have been in regard to uniform bills of lading, as will appear in the report of that committee.

The President of the association, Mr. LA LANNE, has really performed all of the duties that did devolve upon the Commissioner in previous years.

I accepted the position of Commissioner with the understanding that I could vacate it when I desired. I have simply kept an office in the city of Washington, where delegates to the National Board of Trade should feel themselves at home and where I, as Commissioner, could give them any assistance they needed when in the city; and I should like to say to you all that if there is anything I can do for you, individually or as a member of the association, I shall be very glad indeed to do it. [Applause.]

On motion, it was ordered that the report of the Commissioner be received and placed on file, and also that a vote of thanks of the Board be tendered him for the very efficient manner in which he has performed his work.

COURTESIES TO THE LADIES.

Mr. WALDO SMITH, of New York.—I move that delegates who have ladies with them be invited to find seats for them in the hall at any time during the sessions of the Board, and that the ladies be provided with seats in the banquet hall to-morrow night.

The PRESIDENT.—The ladies this time are going to be welcomed. The feminines are going to have about the same courtesies as the masculines.

The motion was agreed to.

On motion of Mr. ROBINSON, of Philadelphia, the Board at 2 o'clock P. M. adjourned to 9.30 o'clock to-morrow morning.

SECOND DAY.

WEDNESDAY, JANUARY 22, 1908.

The President called the Board to order at 10 o'clock A. M.

TRADE WITH SOUTH AMERICA.

The PRESIDENT.—Mr. WOOD, of Philadelphia, has a report to present.

Mr. WOOD, of Philadelphia.—Mr. President and gentlemen of the convention, really the most important work which this Committee on Correspondence with the Department of Commerce performed was when the President requested the Chairman to attend the meeting called by Secretary Straus. That passed, as you have been informed. The committee had been engaged in writing a monogram on the trade of the east coast of South America for presentation to the Secretary of the Department of Commerce and Labor, as a sort of object-lesson in regard to the importance of American shipping and commercial interests. But that meeting rather came in the way, so that the monograph was not presented to the Secretary of the Department of Commerce and Labor, and your President has been kind enough to say that he thought it would be of interest if it should be read to the National Board of Trade. As the Committee on Mercantile Marine is soon to make a report, it may be interesting and enable you to vote with more enthusiasm on the report of that committee. This monogram reads as follows:—

Looking forward to the time when the United States shall be a competitor for the carrying trade of the world, your committee has been able to secure some statistics bearing upon the trade of that part of the world which should, from its geographic position, be most amenable to control.

The east coast of South America, from the boundary between Panama and Colombia to the line in the Strait of Magellan between the Argentine Republic and Chile, is the district to which these figures refer as by the tables given below.

The picture presented is not so perfect in detail as the committee could have wished, for the English blue books at its command are for

the year 1906, while the corresponding publications of the German Empire, issued in green covers, are for the nine months of 1907.

Then the French yellow books have not been secured, but it is believed that the peculiar delicacy of French products is such as to place the greater part of the exports of that people at the present time beyond American competition, and that in bulk they are not sufficient, as to number of tons moved, to be a serious factor in making freight rates to the east coast of South America.

It may be well to notice a few salient points indicated by these tables.

The first of these interesting points is to be found in the close balance between outgoing and returning tonnage. As the United States has practically no transoceanic tonnage, it is not surprising that the departmental statistics pay little attention to the tonnage movement between nations, so that we are without authoritative figures on this head for the ports of the United States.

But taking the table as it stands, the direct tonnage, out and in, between English and German ports, shows an excess of outward bound of about 1,000,000 tons. Now it is reasonable to suppose that the average ton value of the American trade does not differ much from the German or from that of Great Britain (coal excepted), and a computation made at this value discloses the missing million tons for the returning cargoes.

That is to say, there must be about a 1,000,000 tons more goods brought to North America from east coast of South America than are sent there from North America, which makes the trade balances almost equal—say, 12,000,000 tons out, and 12,000,000 back.

Another evident point is that, of the outbound tonnage, nearly two-thirds goes as coal in English vessels, or in vessels from English ports. Then these outgoing English coal vessels return by divergent routes; one part load with grain direct for England or Germany, and the other part brings coffee and rubber to the United States. When they get here they naturally load with grain for England, making a nice three-sided voyage.

There is another lesson to be deduced from this table that is less trying to our national self-esteem. Because South America produces almost nothing of the manufactured articles necessary to civilized life, she is compelled to pay such prices as the producers of those articles demand, and to sell in exchange for them her own product at such price as they are willing to pay.

The result as shown by this table is almost startling, but your committee sees no way to escape from the conclusion. This business has been carried on to the same effect year after year. Bullion remittances to the east coast are small and not infrequently come back again, so that there is only one explanation to be made, viz: that the outward cargoes

pay for those that come back. In other words, the annual profit on the trade done by England and Germany with the eastern half of South America, divides an annual profit of approximately two hundred million dollars between the outgoing cargoes, the carrier, and the incoming cargoes. These combined profits, it will be noticed, amount to seventy per cent. on the values of the initial or outgoing cargo. No appreciable part of this profit accrues to the United States because the outgoing cargoes are mostly paid for at port of shipment; because there is almost no United States shipping in the trade; and because the return cargoes are largely consigned for foreign account.

Table No. 2 shows one marked exception to the rules demonstrated above. This table is a comparison of the trades of Venezuela and Argentine.

As is well known there is a line of American steamers from New York to La Guayra, the chief port of Venezuela, making one-half monthly trips. It must be more than a coincidence that Venezuela is the one country on the east coast where American trade holds the dominant position. In that country, of the combined English, German and American commerce, the latter does fifty-nine per cent. of the business. This is a striking contrast with the Argentine trade, where the United States runs no regular line of steamers and does twelve per cent. of the business. Not, of course, twelve per cent. of the carrying business, but only that American goods moving in English and German vessels are one-eighth of the total carried in those vessels.

TABLE No. 1.
SENT TO EAST COAST OF SOUTH AMERICA.

By	Tons.	
Great Britain	*5,686,837	\$159,523,960
Germany	552,569	54,955,239
United States		59,501,158
	<hr/> 6,239,406	<hr/> \$273,980,357

*Of which is coal, 4,366,299 tons.

BROUGHT FROM EAST COAST OF SOUTH AMERICA.

By	Tons.	
Great Britain	*2,932,019	\$167,586,450
Germany	*2,195,639	186,682,222
United States		118,390,351
	<hr/> 5,127,658	<hr/> \$472,659,023

*Of which is wheat and other grain, 2,221,140 tons, Great Britain
1,069,000 tons, Germany

3,290,140 tons.

TABLE No. 2.

	Venezuela.	Argentine.
English trade, total imports and exports ...	\$4,238,482	\$212,898,960
Germany, total imports and exports	3,439,683	157,204,440
United States, total imports and exports ...	11,292,834	51,052,422
	<hr/> \$18,971,009	<hr/> \$421,155,822

The PRESIDENT.—Gentlemen of the Board, you have heard the report. What is your pleasure?

Mr. ROBINSON, of Philadelphia.—I move that it be accepted and placed on record.

The motion was agreed to.

UNIFORM BILL OF LADING.

The PRESIDENT.—The next report will be made by Mr. A. M. READ. You will remember that Mr. READ went as a delegate to the meetings of Interstate Commerce Commission, and also to the Pennsylvania sessions, in the interest of the establishment of a uniform bill of lading. The Chair has asked him to bring in his report now.

Mr. READ, of Washington:—

To the President and Members of the National Board of Trade:—

Something over three years ago the railroad corporations of the official classification territory gave notice to the shippers, both through the press and by direct communication, that on and after a stipulated date a certain form of bill of lading formulated by them would be put into use to the exclusion of all others, and that shipments could be made on them only. The heavier shippers took issue with this ill-considered and drastic action of the carriers because of the terms written into the uniform bill of lading, and brought the matter to the attention of the Interstate Commerce Commission, with the result that the railroad carriers were estopped from putting their project in operation. After the close of the hearing of the case, and upon the suggestion of the commission, a joint committee of carriers and shippers were appointed to consider a suitable form of bill of lading and report to the commission. This joint committee, after numerous conferences, agreed upon and on June 14, 1907, reported to the commission a bill of lading form (a copy of which is appended to this report for the information of our members), for the approval and issuance by the commission as a uniform bill of lading to be used exclusively by the railroad carriers of the country.

Whereupon the commission issued an order that all common carriers by railroad subject to the act to regulate commerce be made defendants to the proceedings and notifying them that a further hearing of the matter would be had at the office of the commission in the city of Washington, D. C., on the 15th day of October, 1907, when they would be expected to show cause why the proposed form for bill of lading should not be approved and prescribed by the commission as a just and reasonable regulation to be observed by them on and after January 1, 1908. At this hearing many protests and opinions, written and verbal, were presented both for and against the proposed uniform bill by the railroads outside of the official classification territory on one side and by the American Bankers' Association, the New York Cotton Exchange and others on the reverse, the railroads, of course, contending for an increased limitation of liability, the other side for common-law liability without power in the carriers to limit it by provision in or stamped upon the form. Another element present favored the proposed form as a fair compromise of the claims of each side. The American Bankers' Association, the New York Cotton Exchange, the Liverpool Cotton Association, National Industrial Tariff League, and some others strongly advocated two forms of bills of lading, one for straight bills and the other for negotiable bills in which the words "order of" should be printed. The two forms to be made further distinctive by a decided difference in color of the paper upon which they are printed.

In the meantime the Conference of Commissioners on Uniform State Laws had taken up the subject and employed Professor Williston, of the Harvard Law School, to write an act for its consideration. The act was briefly considered by the conference at its annual meeting at St. Paul, Minnesota, in August, 1906, and recommended to its Committee on Commercial Law for further consideration.

At the meeting of the National Board of Trade in January, 1907, your committee presented the following resolution to the Board in the hope that the notice of its work therein stated would deter hasty action by other commercial bodies, and it was passed:—

"WHEREAS, The Commissioners on Uniform State Laws are engaged in drafting an uniform bills of lading act, which when completed is to be submitted to Congress for enactment into law so far as it may relate to interstate commerce, the territories, and the District of Columbia, and to the Legislatures of the different States for enactment into the statutes; therefore be it

"Resolved, That the National Board of Trade hereby approves of this action of the Commissioners on Uniform State Laws, and recommends that all legislation on this subject be held in abeyance until the said act is formulated and ready for submission to the Congress and to the State Legislatures."

Early in May of this year your Board was requested to send delegates to a conference between commercial and railroad men and the Com-

mittee on Commercial Law of the Conference of Commissioners on Uniform State Laws on the Bills of Lading Act, to be held at the Bellevue-Stratford Hotel, Philadelphia, on May 13th. At this conference two days were consumed in going over the act section by section. Besides the committee, there were present and participating in the discussion, the President of the conference, two delegates from the Merchants' and Manufacturers' Association of New York City, one delegate from the American Bankers' Association, one delegate from each of the following railroads: Louisville & Nashville, New York, New Haven & Hartford and the Pennsylvania, one delegate to the Philadelphia Trades League, the Dean of the University of Pennsylvania Law School, two delegates from the American Warehousemen's Association, and the Chairman of your committee representing the National Board of Trade. The meeting was an extremely interesting and valuable one to all concerned, especially to the committee of the conference, whose members then first obtained in extenso the view of the railroad men upon the subject. The fruits of this conference were turned over to Professor Williston and the act was for the third time rewritten for the annual conference to be held later in Portland, Maine, in August last.

At this annual conference of the commissioners the act was taken up section by section, first by the committee and later by the larger body and three days' time given to its thorough discussion. As before, delegates from various commercial bodies, including your Chairman, representing the National Board of Trade, were present and took part in the consideration of the act. The act was in its changed and amended form resubmitted to the committee with instructions to have it rewritten and reported to the meeting of the conference in 1908 for final action.

The question of formulating a uniform bill of lading for use by railroad carriers of interstate commerce is now with the Interstate Commerce Commission, whose power to enforce one when formulated is seriously in doubt, and the Conference of Commissioners on Uniform State Laws have postponed action on the formulation of a State statute until August, 1908. It will be seen from this that the early solution of this very important matter, seriously affecting the commerce of the nation, is not hopeful. The subject has, however, been so thoroughly and so actively agitated in the minds of those most largely interested that its satisfactory settlement may be just ahead.

On May 28th last the Interstate Commerce Commission issued the following notice and order:—

**"RESPONSIBILITY OF COMMON CARRIER FOR LOSS OR
DAMAGE TO SHIPMENT.**

*"To all Shippers and Common Carriers subject to the Act to Regulate
Commerce:—*

*"The Interstate Commerce Commission hereby gives notice that on
the fifteenth day of June, 1907, a hearing of the commission will be had*

at the office of the commission in the City of Washington, D. C., on the general question of the liability of carriers arising under that provision of Section 20, of the Act to Regulate Commerce, which reads as follows:

"That any common carrier, railroad, or transportation company receiving property for transportation from a point in one State to a point in another State shall issue a receipt or bill of lading therefor and shall be liable to the lawful holder thereof, for any loss, damage or injury to such property caused by it or by any common carrier, railroad, or transportation company to which such property may be delivered or over whose line or lines such property may pass, and no contract, receipt, rule, or regulation shall exempt such common carrier, railroad, or transportation company from the liability hereby imposed; *Provided*, That nothing in this section shall deprive any holder of such receipt or bill of lading of any remedy or right of action which he has under existing law.

"That the common carrier, railroad, or transportation company issuing such receipt or bill of lading, shall be entitled to recover from the common carrier, railroad, or transportation company on whose line the loss, damage or injury shall have been sustained the amount of such loss, damage, or injury as it may be required to pay to the owners of such property, as may be evidenced by any receipt, judgment, or transcript thereof."

"It is the desire of the commission that at said hearing all parties interested shall be represented and shall present by oral or printed brief their views as to the correct interpretation of these provisions of law.

"It is hereby ordered that this matter be, and is hereby, set down for hearing at the office of the commission in Washington, D. C., on June 15, 1907, at ten o'clock in the forenoon of that day.

By the Commission.

EDWARD A. MOSELEY,

Secretary."

In compliance with the above call your Chairman, who was requested by your worthy President to represent the National Board of Trade, attended the meeting in that capacity. There were present representatives of the American Bankers' Association, various chambers of commerce, several shippers' associations, etc., and a number of railroad attorneys. The discussion took a wide range, embracing the construction of the language of the law and the constitutionality of certain provisions of it, the representatives of the railroads taking ground strongly against the constitutionality of the provision making the initial transportation company responsible to the shipper for loss or damage caused by any other common carrier, etc., over which the shipment may be billed by it. It appeared to be their desire to impress the commission that common carriers could not be held responsible for loss or damage occurring beyond their own lines. The converse of this proposition appeared to have the best of the argument, and from questions propounded by members of the commission it appeared to your representa-

tive that the commission would decide against the contention of the railroads on this point. During the discussion the statement was made that the commission as an administrative body could not consider the constitutionality of the several provisions of the law but would have to leave that questions to the courts. The clause in the second line of the law, "from a point in one State to a point in another State," was generally considered to be broad enough to embrace shipment to a territory or a foreign country, although there was sharp dissent from this construction. It also appeared to be the consensus of opinion that but one rate could be allowed the railroads instead of three as now. The meeting occupied several hours' time and the discussion of the various questions propounded was extremely interesting.

The PRESIDENT.—What shall be done with the report?

Mr. READ.—I have also a resolution. The committee has authorized its Chairman to offer the following:—

WHEREAS, The Interstate Commerce Commission has now in hand the formulation of a uniform bill of lading to take the place of all others now in use by the railroad carriers of the country; and

WHEREAS, It is deemed absolutely essential to the proper conduct of the commerce of the country that order bills of lading, so important a vehicle in the movement of its crops, should be so segregated by all practical means from the so-called straight bills of lading that they can be readily recognized; therefore be it

Resolved, That the National Board of Trade hereby petitions and prays the Interstate Commerce Commission to require for such order bills of lading, a distinct and separate form, so differentiated by its wording, color, etc., that it shall be readily distinguished and that the following forms be submitted to the commission for its consideration:

ORIGINAL.

.....Railroad Company.
.....Station. 190....

Received from.....
the property described below, in apparent good order, except as noted (contents and condition of contents of packages unknown), to be transported and delivered, in accordance with the provisions of law, in like good order, to consignee.)

(Insert description of articles, weight, rate, route, and car number and initials, is in carload.)

OFFICIALAgent.
STAMP.

ORIGINAL.

.....Railroad Company.
Station.....190....

Received from.....the property described below in apparent good condition, except as noted (contents and condition of contents of packages unknown), to be transported and delivered to the order of.....in accordance with the provisions of law and the terms of this bill of lading.

The property herein described shall not be delivered until this original bill of lading, properly indorsed, has been surrendered and canceled, or, in case of partial delivery, a statement thereof has been indorsed hereon.

Any stipulation or indorsement on this bill of lading that it is not negotiable shall be void and of no effect.

Inspection will be permitted under this bill of lading, unless otherwise indorsed hereon, which indorsement shall be made at the time of issue by the agent, if requested by the shipper. Any alteration, addition or erasure, fraudulent or otherwise, in this bill of lading, which shall be made without the indorsement thereof hereon, signed by the agent of the carrier issuing this bill of lading, shall be without effect, and this bill of lading shall be enforceable according to its original tenor.

Special Marks.

Consigned to order of
Destination
Notify
At

(Insert description of articles, weights, rates and routes, and car numbers and initials, if in carloads.)

OFFICIAL STAMP.Agent.

I move that this resolution receive the sanction of the National Board of Trade by a direct vote.

Mr. CLUM, of Cleveland.—I beg to inquire whether the forms presented are similar to those printed in the official programme?

Mr. READ.—They are. They are exact copies.

Mr. ROLPH, of Philadelphia.—I suggest, Mr. READ, that you hold up the two forms, so that the color may be exhibited.

Mr. READ.—The form before the Interstate Commerce Commission at the present time has been approved by the American Bankers' Association and by a large number of the shippers and people specially interested in it. Where the form is objected to, the objection is not to the verbiage itself, but to the

fact that there are two forms instead of one. Two forms are required by the shipping and banking interests by reason of the fact that one is a negotiable instrument and the other is not. The words the bankers wanted printed in one form are "to the order of."

The PRESIDENT.—Was it not the contention that the railroads did not want any damages to be placed on any except the initial shipping company?

Mr. READ.—That does not come into this at all.

Mr. KELLY, of Philadelphia.—Before the motion is put, I would like to ask the Commissioner a question. I was not here when he read it. Do I understand that the bill of lading which you ask us to adopt is the common-law liability bill of lading?

Mr. READ.—It is the common-law liability bill of lading.

Mr. KELLY.—I had the honor and pleasure of attending the sitting of the Interstate Commerce Commission when these bills of lading were considered, and, if I remember correctly, there were two propositions: one was known as the common-law liability bill of lading, and the other was the bill of lading acted upon by the American Bankers' Association. A large body of men, largely from the West, were in favor of the common-law liability; the American Bankers' Association were not in favor of that. Is it proposed that this organization shall indorse the bankers' bill of lading or the other?

Mr. READ.—Both of them read in this way: "In accordance with the provisions of law."

Mr. KELLY.—That is the common-law liability.

Mr. READ.—And the Bankers' Association has indorsed these two forms.

Mr. KELLY.—The shipper is protected by the laws of the various States?

Mr. READ.—Yes.

The PRESIDENT.—Are there any other remarks, gentlemen?

The resolution was adopted.

The PRESIDENT.—The next question is on the receipt of the report on the uniform bill of lading.

The report of the committee was received and ordered placed on file.

Mr. CARHART, of New York.—It would be very important, if we desire the adoption of these bills of lading, for us to have some one on the spot to represent us, and if our Chairman, Mr. READ, has not the authority at present so to do, I move that he be requested, being here in Washington, to look out for the interests of this resolution before the Interstate Commerce Commission.

The PRESIDENT.—That is a very pertinent resolution, but Mr. READ is already doing that.

The motion was agreed to.

RIVERS AND HARBORS.

The PRESIDENT.—We are ready for further reports.

Mr. FRY, of Philadelphia, from the Committee on Rivers and Harbors, handed the report of the committee to the Secretary.

The PRESIDENT.—This is a very important report, which will be read by the Secretary.

The Secretary read the report of the committee as follows:—

The President of the National Board of Trade:—

Your committee, to whom were referred the resolutions relative to the improvements of rivers and harbors covered by the topics embodied in the regular programme from 64 to 74, inclusive, having given careful consideration to this important subject, has the honor to submit the following preamble and resolutions:—

WHEREAS, The existing conditions of our business interest, due largely to the inability of our limited transportation facilities to properly handle and economically transport the large freight movement of the country, calls for some speedy and permanent relief, and as it has been freely admitted by many of our commercial bodies and manufacturing interests that the only practical and permanent relief must come through the

improvement of our rivers and harbors and internal waterways; therefore be it

Resolved, That the National Board of Trade urges upon Congress the necessity of regular appropriations of not less than \$50,000,000 per annum for inland waterway improvements; these appropriations to be applied in such manner as to permit of progressive, continuous and permanent work being done upon such projects as may be deemed necessary for the proper development of the transportation interests of the country by water.

Resolved, That a policy of co-operation between the National Government, the States, municipalities or corporations, looking to the speedy development of urgent local improvements is heartily indorsed by this body and is respectfully commended to the consideration of Congress.

Mr. WOOD, of Philadelphia.—I am sorry to hear that old shibboleth about the \$50,000,000. I am heartily in favor of the expression, but I think, as we have had that \$50,000,000 kept before us for several years now, that it has become a little tiresome. Suppose that Congress should think that \$49,000,000 was sufficient for some particular year, or that \$60,000,000 were the better sum. I think that language about \$50,000,000 is getting worn out and that we ought really to ask the United States Government to take a comprehensive view of what is coming from all parts of the country and that the appropriate department (whether the Coast Survey or some other) should, before it begins to spend any sum, find out exactly what is wanted. If a sensible man wants to make a farm out of wild ground, he will have a thorough survey made before he commences any improvements. I think the United States Government ought to treat the whole country, between the two oceans and between the Great Lakes and the Gulf, on a common system, and ought to have made a complete hydrologic survey before it begins to spend any money at all, and then appropriations ought to be made for that survey.

I move to amend by inserting the words "adequate amount" in lieu of the words "\$50,000,000."

Mr. FRY, of Philadelphia.—Mr. President, in the making up this report by your committee, the question of inserting \$50,000,000 was taken into consideration and talked over very thoroughly. The minimum amount of \$50,000,000 seems to be the amount that is asked of Congress for the commence-

ment of these improvements. We all know, however, that \$50,000,000 will not be enough. So what is the use of submitting to Congress a petition asking for "an adequate amount," or "a sufficient amount"? The minimum amount of \$50,000,000 contributed yearly will start operations. It shows to Congress that we have taken into consideration the requirements that will be necessary, so far as the appropriations are concerned, in order to carry on this work, and it gives an impetus to the work that probably would not be given unless a specific sum is named. For that reason the committee concluded that it was very pertinent to name a specified amount, a minimum sum, that Congress might appropriate. During the conventions, held in Philadelphia, of the Atlantic Coast Association and the Congress of Waterways, it was brought prominently before them that the specific sum should be mentioned. Mr. Burton himself said before the Convention of Waterways that he was in favor of an annual appropriation of \$50,000,000. We do not say that it shall be only \$50,000,000, but that an amount not less than \$50,000,000 should be appropriated. That is why that amount was put in. I do not think it is a worn-out expression; I do not think it is tiresome; I do not think it is a matter that can be tabooed by anybody because we ask for an amount which is sufficient to start the work.

So far as the surveys, to which Mr. Wood refers, are concerned, of course the Government will take charge of that matter. The proper officials of the Government all know that there will have to be surveys, and they are entirely familiar with the details. It was not in accordance with the views of your committee to take up a matter of detail, so far as general work is concerned, but to designate to the National Board of Trade what is desired by the citizens of the United States.

I hope the proposed amendment will not prevail. I think members of Congress are prepared to meet the issue of \$50,000,000. I think the Committee on Rivers and Harbors are in accord with that amount, and I believe if we strike it from the report, and state only "an adequate amount," it will tend to discourage and stop appropriations, and will afford

an excuse for giving us a very much smaller amount than is necessary. If we desire the waterways of the country improved, if we desire to have the rivers and harbors taken care of, we must ask Congress, through its Committee on Rivers and Harbors, for what we want.

I should be very glad to have Mr. WOOD withdraw his proposed amendment.

Mr. HAUPT, of Philadelphia.—Mr. President, I do not want to take up the time of the Board with any long address on this subject. My friend, Mr. WOOD, has made a very potent suggestion, which I think has been very well answered by our Chairman, Mr. FRY.

I should like to call attention to the fact that there has been already approved over \$500,000,000 worth of work, which should be completed, but which is not now in existence, and if we ever hope to get adequate results we must have large appropriations.

I believe that the members of Congress want to know how far they are justified by their constituents in making appropriations for this particular purpose. I think we all realize the fact that the money of the United States cannot be more judiciously expended or more economically invested than in waterways, and therefore we may very properly place the minimum amount which we think should go into the bill and say that it should be an annual appropriation, in order that in the near future we may possibly secure the results so absolutely necessary to the transportation interests of the country.

We all understand, Mr. President, that there will be no river and harbor bill this year, notwithstanding all the pressure that has been brought to bear to secure one, because of the great demands for the naval establishment and for pensions. We have been trying for years to secure a change in the allotment of the public funds so that more may be appropriated for constructive and peace development than is now spent for destruction and non-revenue producing investments.

I think, therefore, that this amendment ought not to be withdrawn, but that we should insist upon at least \$50,000,000.

The PRESIDENT.—You want the amendment withdrawn?

Mr. HAUPT.—No, sir; we ought not to withdraw it, but insist upon that amount at least annually until we can be sure of beneficial results.

The PRESIDENT.—The amendment proposed is to insert “an adequate amount,” in lieu of \$50,000,000. You are speaking to the amendment.

Mr. HAUPT.—I am speaking to the amendment. I think the amendment ought not to prevail.

The PRESIDENT.—Do you offer an amendment to that amendment?

Mr. HAUPT.—No, I suggest that it be voted down.

The PRESIDENT.—The Chair wants to understand you.

Mr. ROGERS, of Philadelphia.—As a member of that committee, sir, I must oppose the amendment. While there is merit in the amendment offered by Mr. WOOD, and while it may appear to our friends in Congress that this National Board of Trades advocates what might be called a “chestnut,” yet at the same time, sir, I believe that if we keep pounding at Congress with the sledge-hammer blows that we have heretofore given, Congress will say, “I guess those fellows mean business,” and if we don’t get \$50,000,000 we may get half of it. I therefore oppose the amendment.

The PRESIDENT.—Are there any further remarks? It is moved that “\$50,000,000” be stricken out and “an adequate amount” inserted in lieu thereof.

The amendment was rejected.

The PRESIDENT.—The question now recurs on the adoption of the resolution.

The resolution was adopted.

DEPARTMENT OF CONSTRUCTION WORK.

Mr. GIBSON, of New York.—Mr. President, representing an association having an independent resolution that seems to be very pertinent, this seems an opportune time to offer the

resolution, after this report with which it is very closely connected.

I was authorized by my association to amend this resolution and put it in such form as I might deem most proper. So I have changed the verbiage of it and offer it in this form:—

Resolved, That there should be created, as a department of the general government of the United States, a Department of Public Works, with a Secretary at its head, which department shall have charge of all construction work to be done by the general government, including that of river and harbor improvements, and having such control of navigable waters as it may seem proper and most judicious to confer upon it.

I want to say, Mr. President, if proper for me to say anything upon the resolution—

The PRESIDENT.—Perfectly proper, sir.

Mr. GIBSON.—A man who holds a brief for the purpose of changing an existing organization—or of changing what may appear to be a systematic disorganization, particularly when it relates to a change in the formation and administration of the general government—is undertaking a very large contract, as we all know from the length of time it took to establish a Department of Commerce and Labor. But it seems very pertinent that this change should be made, or that the initiative should be taken now, in view of the fact that the improvement of rivers and harbors has had some life injected into it.

If we were about to spend in business \$50,000,000, or any other considerable sum, we would hold fast to our \$50,000,000 until we had some kind of a systematic business organization through which it might be expended. What led to an examination of the matter on the part of the Board of Trade and Transportation of New York, was the remarks of Mr. LEWIS M. NIXON, who said that any attempt to remove obstructions in the harbor of New York would find no department of the general Government that seems to have any control of the matter, and that it was with very great difficulty that he eventually found authority that was willing to act. An examination, then, of the whole question of public works disclosed the fact that it had grown up without any systematic organization whatever; that in the early part of the history of

the country, when remote fortifications could only be reached by navigable waters, engineers were employed to mark out the routes and to establish places where such fortifications could best be erected; and it was out of that act, and the continuation of it by the corps of engineers, that caused that part of the civil establishment of the Government employed in the construction of public works to be landed in the martial department, the War Department of the Government; and it is through that system—or lack of system, rather, without organized growth—that the whole effort of attempting to improve the navigable waters of the United States has been more or less frustrated, by being carried on in a disorganized way, the appropriation having been expended for improvement in one part of a navigable river in one year, and for another part another year, leaving the first attempted improvement to be cared for at some subsequent time. The result has been, even since the Civil War, that \$540,000,000 has been expended for the improvement of navigable rivers and harbors, while nothing of importance has been accomplished.

The French Government sent to this country a gentleman to investigate this subject, and he made his report to his government, which seems to embody the substance of the whole matter. He says that on examination he found:—

There is not in existence (in the United States) any map showing where the streams are on which this money has been spent, indicating the head of navigation on each, the amount of water in the streams, or the number of months during which the river can be used. There were three government departments having lists of navigable streams, and no two agreed in the number or the names, or in the hydrology of the streams. There was not in America a man who had looked at all of these streams as a system and understood their interrelations. Nor were there any reliable statistics of trade on them, nor any way to get such statistics. If he should come to-day, he would find that there are no two streams in America having the same size locks throughout, and hardly a single river having a uniform standard of lock chamber. He would find the Tennessee improved with locks of one size—and the size of the lock chamber prescribes the dimensions of the boat to use that river—and the Cumberland, a similar stream adjoining it and of the same depth, about to be blocked to all Tennessee river boats, with locks about eight feet narrower and considerably shorter. He would find, in fact, chaos; and he would understand the helplessness with which the

Rivers and Harbors Committee confessed to the last Congress that the nation is committed already to river projects which it will cost \$500,000,000 to complete, without any connection among these projects, no logical order of completion of them, and only favor and engineering reports as guides to direct Congress in spending its money this year on one, next year or next decade on another.

I want to read one or two instances of the unsystematic way in which this work is carried on. I do not want to bore you with this matter, but it is important:—

The subject of improving the Ohio has been under consideration for more than a century. In 1817-18 the State of Pennsylvania began work to be carried as far as Wheeling. In 1835 Congress applied \$550,000 to the river for the six hundred miles above the falls at Louisville, and began removing snags and rocks but abandoned it after a few years. The Pennsylvania Railroad organized a corporation to effect its improvement, but the Government intervened, as with other parties, and it was not until 1875-6 that the system of movable dams was finally determined upon for this stream, and work commenced by the Government, in an effort to secure a six-foot stage by such structures, at an estimated cost of some \$50,000,000. "It has proceeded with a snail's pace," said Mr. Rausdell. "Out of fifty-two locks of this system only six have been completed, and four others are in process of construction. The project has been changed to one of nine feet, and the estimate increased to \$63,000,000. If this gigantic and most meritorious work is continued at the same rate as for the past thirty years it will not be closed at the end of this century."

There are instances similar to—in fact, more monstrous than—this one. Another defect in the present system, which will probably be apparent to all business men, is that the basis upon which all this work moves, the engineer corps, is constantly changing in its personnel. We have a corps of engineers this year. Next year part of them are gone, some to the Philippines, to Cuba and elsewhere. I have a list showing where they all are. Next year we have at least a partial change of personnel. In two or three years the old crowd are all out and a new crowd in.

If we are to have a department of public works it will be apparent that we should have a man at the head of it charged with responsibility, who will go at it in a systematic way to make surveys and calculations and to make recommendations to Congress, so that something shall be accomplished, as contrasted with this way of working at one point one year, at

another point another year, and in the course of a decade back to the first point.

I am not going to take further time. It is a very interesting and very great subject, with a very long history. I know that there are experts with us to-day, perhaps at least one who knows as much about it as any other man in the United States, perhaps more, and I want to hear from such men who know very much more about it than I do.

Mr. WALDO SMITH, of New York.—Mr. President, in rising to second this, I will only say that any department having authority to spend \$50,000,000 ought to have a responsible head, one who knows all about the whole thing. I second the resolution.

Mr. HAUPT.—Only one word more, Mr. President. This subject has been before the National Board of Trade for many years. We have threshed it out pretty well, and I think everybody understands it. Experienced men in the Senate have said that if there is a worse system to be found than that which exists in this country, they would like to know where it is. No civilized country in the world has internal work of such importance confided to any but civilians for that particular purpose.

The great defects of our system have been pointedly referred to by Mr. GIBSON, and one such defect is the lack of initiative. I think it particularly unfortunate that in the great list of public works none of them have ever been inaugurated by the Government itself. Without exception, I think, every one has been commenced by transportation corporations or by municipalities, whenever revenue was to be derived from the construction of such work. The railroads, now aggregating over \$16,000,000,000 in value, have all been built by that method, and our canals and waterways were originally developed in that way. When the tolls have become burdensome and traffic has become more fully developed, then the people want to get rid of the tolls, payable at the toll bridges, and they procure them to be taken over by the Government. The Government gets what it buys, but whether it gets its *quid pro quo* is another question. As an illustration, the Monon-

gahela Navigation Company was taken over at less than \$4,000,000, and is now being improved. The Sault Ste. Marie canal project was originally opposed by the Government because it would pass through an Indian reservation, but it was finally taken over and the canal was enlarged by the Government. The result of that development is wonderful, over \$52,000,000 last year.

I feel that there is nothing that will come before the Board that will do so much for the development of the waterways and the economic transportation of the manufacturing and industrial interests of the country and put them on a proper footing as a proper organization of this kind; and I will only say that in 1888 the civil engineers of the country organized for that purpose, and that two bills were prepared, both of which were reported favorably in the House and Senate, but the time was a little premature. The railroads then did not feel that they wanted the waterways developed. I think that opposition has now ceased. The railroads now feel that they must segregate their tonnage. They are now carrying over 53 per cent. of the total tonnage of the country, which is a very great handicap to them, one they would be glad to be rid of, so that, as Mr. J. J. HILL said, we may now count on the co-operation of the railroads in securing waterways.

To spend this \$500,000,000 at the rate of \$50,000,000 a year will take ten years. But the industrial interests of the country are making increasing demands, for the tonnage of the railroads is increasing five-fold. I most earnestly trust, therefore, that the resolution of the New York Board of Trade and Transportation will meet with the hearty indorsement of this Board.

Mr. CARTER, of Boston.—It seems to me, Mr. President, that on so important a subject we should not rush to a vote, when half of our members are necessarily absent engaged on committee work. It is certainly no small matter to suggest such a complete change in the manner of performing so large a work as this and simply vote on it off-hand. I think the matter should be considered deliberately. I believe it might be wise even to let it go over another year. I was not here last year and I

do not recall this matter having been brought up. I think on a great matter of this kind it is not too much to ask a year for deliberation, in order to find out what the sentiment and feeling may be among our own constituents; to find out, as we cannot here, all there is to be said for and against. If it is pushed now to a decision we shall certainly be called upon to show how we reached the decision; and yet I think possibly half of our members are not present to hear the discussion or take part in it, and it seems to me that is pressing it unduly. Let us proceed with deliberation. I trust we shall not act at this time, but that those who come here next year knowing that the question is to be brought up—if the motion which I shall make prevails—will come prepared to consider it intelligently.

I move that the matter be referred back to the committee, to be reported upon next year, when the delegates will have the knowledge that they are to vote upon and consider an important subject. I make that motion, Mr. President.

Mr. BURROWS, of Cleveland.—It seems to me Mr. President, that we want to go slowly on a matter so important as this. The Government of the United States has not interfered with business in the past, as have the governments of other civilized nations, and for one I am opposed to everything that is an extension of governmental interference. I believe that the Interstate Commerce Commission, with no more force than it has, is already working along lines that will check the development of the United States, and that had the Interstate Commerce Commission forty years ago its present power, the development of the country would have stopped at about the Mississippi River.

As one, and a very small one, I ask that we suspend action on this question. I am thoroughly with Mr. CARTER. I think it is very dangerous to travel too far. It is easier to go too fast and be sorry than to go too slow and be safe. I take pleasure in seconding the motion of Mr. CARTER, and I should be glad to see this body declare this morning in favor of postponing action for a year.

Mr. GIBSON.—I want to say that while the proposed establishment of a department of public works is a novelty, yet

it has had consideration and the knowledge and experience of older and wiser nations than we have set ourselves up to be. The Government of Great Britain has a department of public works that has control of all government construction, except fortifications and vessels for the navy. The German Government also has a department of public works and so has the French Government.

The principle of having the civil works of the government referred for direction and construction to a department of war seems to me incongruous, and its results have been of such a mediocre character that it appears to me that this resolution should meet with the approval of this body at once. I recognize the wisdom of what Mr. CARTER has stated and of what Mr. BURROWS has stated. I still think that the motion should prevail. But this being an entirely novel proposition, I am willing, with the consent of my seconder, to withdraw the motion, and make a motion that it be referred to a special committee.

Mr. HAUPT.—Mr. President, I desire to ask Mr. BURROWS a question, with his consent. I quite agree with the sentiments of Mr. BURROWS and Mr. CARTER, and I would like to ask them both what the facts are as to how much the Government assists in the development of transportation facilities. Do they not know that there must first be a survey, and that it sometimes requires two years before such a survey can even be authorized by legislation? And do they not know that before an appropriation is made it must be recommended by the War Department, and that the War Department will certainly be very much handicapped by the limited number of men it has at its command to do the necessary work? Do they not know that every project must come through the chief of engineers, the district engineer and local engineer, and that the local engineer is the man who makes the recommendation? He may not have been in his district more than a few weeks when he is called upon to make a recommendation, and if his recommendation should be approved by his superior officer and by the Secretary of War, then come the delay and trouble of procuring legislation.

These are a few of the evils of the system which prevent, and I might say prohibit, local enterprise. I have been before the committees of Congress time and time again, and have heard delegations there seeking permission to make their own improvements, to remove bars and other obstructions preventing free navigation. This difficulty has been confronting the country for many years.

I respectfully submit that I am not in favor of the Government extending its control and jurisdiction, as favored by Mr. BURROWS. I do believe we ought to have a proper method whereby people who are ready to relieve themselves will be justified—especially people along the New Jersey coast and the other coasts of the country—in asking the privilege of constructing works for the purpose of saving life and property. a matter of such very great importance.

Mr. MORSS, of Boston.—Mr. President, speaking for New England, I would like to say that our experience has been that we have been spending money by appropriations, which appropriations will aggregate about \$9,000,000, for Boston harbor alone. That work has been kept up and has been satisfactory to the merchants in every way.

I understand that at the present time the Panama Canal work has been taken out of the hands of the civil engineers and put into the hands of Government engineers, and it seems to me that there must have been some very good reason for it. I want to indorse the work of the engineers as it has been demonstrated to us in New England. We have never suffered from it in any way.

Mr. KELLY, of Philadelphia.—I merely want to ask the Chairman of the committee whether the committee took into consideration the statement recently made by the President of the United States that he was not in favor of any further Cabinet extension. It seems to me it might be advisable to establish a new department of public works, but in view of the fact that the Secretary of Commerce and Labor now has charge of such work, which he knows how to perform, perhaps it might be put in that department. The Bureau of Corporations is a very important bureau; that is now in the De-

partment of Commerce and Labor. It seems to me that if another Department is to be created it would be quite satisfactory if it were placed under one person, a member of the Cabinet.

While I am on my feet I would like to say that I do not altogether agree with Mr. BURROWS in his statement regarding the Interstate Commerce Commission. I think that the Interstate Commerce Commission has done considerable work, both in the interest of the railroads and in the interest of the shippers. There are many things to-day that have been done by the Interstate Commerce Commission which, to my mind, have been very beneficial, both to the shippers of the country and to the carriers. It has done much to prevent rebating, falsely classifying articles and under-billing. I think those three things alone are quite important, and the Commission should be sustained for them alone. I merely wish to raise that question.

Mr. ROGERS, of Philadelphia.—Why not act on the suggestion of Mr. GIBSON, that this matter be referred to a committee? I would second Mr. GIBSON's motion that this matter be referred to a committee to report early to-morrow morning. This is a subject that has not been in the hands of a committee and I think it is well worthy of the consideration of a committee. I call for the question.

The PRESIDENT.—What is your motion, Mr. GIBSON?

Mr. CARTER.—I made the motion, but that is not the form in which it was put.

The PRESIDENT.—Mr. CARTER could move to amend it.

Mr. GIBSON.—Mr. CARTER moved an amendment.

The PRESIDENT.—Mr. CARTER's motion may be amended.

Mr. GIBSON.—Is an amendment to an amendment parliamentary?

The PRESIDENT.—Yes; an amendment can be amended once.

Mr. GIBSON.—If that is so, I do not intend to invoke the privilege. My seconder suggests that the resolution I have offered be carried, and that it be then referred to a special

committee for report at the next meeting of the National Board of Trade next year.

The PRESIDENT.—That is your motion?

Mr. GIBSON.—Yes sir.

The PRESIDENT.—That covers your motion, Mr. CARTER?

Mr. CARTER.—I change my motion, to refer it to a special committee.

The PRESIDENT.—You make the motion that it be referred to a special committee to report next year, recognizing the importance of this great question.

Mr. CARTER.—I accept that.

Mr. GIBSON.—I beg pardon. My motion was that the resolution as offered be adopted, but to leave the work of further consideration to be referred to a committee to report next year.

Mr. CARTER.—That I do not accept.

Mr. GIBSON.—We in New York intend to pursue this matter irrespective of what action you may take in this Board. We would like your affirmance of our proposition, that we might go out to the world bearing your approval; but if we do not get it, we shall go on with our propaganda just the same.

The PRESIDENT.—The Chair understood that you were willing to refer it to a special committee to report next year. Is the Chair wrong?

Mr. GIBSON.—No, sir; only for further consideration.

The PRESIDENT.—Then you are irregular and Mr. CARTER's motion is before the convention.

Mr. GIBSON.—I admit that. I was only trying to offer a plea in abatement.

The PRESIDENT.—Then the motion is that this very important matter be referred back to a committee. Will Mr. CARTER kindly state his motion again?

Mr. CARTER.—I move that the matter be referred to a special committee—if that is the sense of the house—to report upon the matter at the next meeting of the National Board of

Trade next year, and that the committee be appointed by the Chair.

Mr. CARTER's motion was agreed to, as disclosed by the ayes and noes.

Mr. GIBSON.—I call for a division.

The President put the question, and the Secretary reported thirty-five voting in the affirmative.

Mr. GIBSON.—I am not certain that all these gentlemen understood just what they were voting for, that they were voting for Mr. CARTER's amendment.

The PRESIDENT.—The Chair will put the motion again. It seems that some delegates may not have understood that it was Mr. CARTER's motion and not an amendment. The question is upon Mr. CARTER's motion to refer this matter to a special committee to bring in a report next year. Now, you all understand that.

Upon a division the Secretary reported thirty-three voting in the affirmative and thirteen in the negative.

The PRESIDENT.—The ayes have it.

The President, under authority of the resolution, named the following special committee: Messrs. WM. H. GIBSON, New York, Chairman; JAMES RICHARD CARTER, Boston; A. T. ANDERSON, Cleveland; WM. P. WILSON, Philadelphia; JOHN M. HARPER, Philadelphia.

THE CUSTOMS ADMINISTRATIVE ACT AND THE DRAWBACK SYSTEM.

Mr. ZUCCA, of New York, submitted the following report:—

The Committee on Customs Administrative Act recommends a change in the present regulations governing the collecting of money in payment for customs duties.

WHEREAS, Under the present regulations the Collector of the Port compels importers to pay customs duties in United States gold and silver certificates, in United States bills or United States gold or silver currency and accepts, as an accommodation to merchants, what are known

as "Customs Transfers," issued by certain banks having deposited cash for that purpose with the Collector;

WHEREAS, During the recent financial crisis, in strictly adhering to the regulations, with the slight exception of accepting national banks' currency in payment of customs duties, importers were compelled to face the stern necessity of providing cash, obtainable only on premiums varying from $\frac{1}{2}$ to $4\frac{1}{2}$ per cent., as the banks had refused to issue these customs transfers unless cash be deposited with them, thus creating hardship, annoyance and expenses, easily avoidable without loss or risk to the Treasury Department;

WHEREAS, The time has come when changes in the present arrangements have become a positive necessity, and believing that the Government should not act in a hindering way against the development of commerce, but on the contrary should try to foster and facilitate it, safeguarding at the same time its own interests, it could be suggested, that the Secretary of the Treasury appoint a committee of well-known and reputable financiers and bankers for elaborating a list of national banks, whose surplus and undivided profits be a constituency of power and stability, and whose certified checks be accepted by customs officials in lieu of cash in payment of duties on imported merchandise;

WHEREAS, This would be of great benefit to importers and other merchants, especially in such a time as we have recently passed through, and would save them from becoming the prey of unscrupulous bankers and speculators compelling the payment of exorbitant premiums for cash destined to be transferred to the Government; be it therefore

Resolved, That collectors of customs duties and internal revenues be authorized and directed by law to accept in payment of duties and revenues certified checks on national banks, thus avoiding the accentuation of a crisis, due to financial panic and the increase of premiums on currency, as has just happened.

Your committee reports as follows as to Proposition LXIII, Drawback Laws:—

WHEREAS, There is no question whatever that the present drawback system is antiquated and can be improved and greatly extended for the upbuilding and increase of our export business; therefore be it

Resolved, That we indorse last year's recommendation that this subject shall be referred to a commission of experts to report, or that Congress shall pass a suitable drawback law for the benefit of our manufacturers.

Mr. ZUCCA.—Gentlemen, we believe that if this resolution passes and Congress adopts our recommendation we shall be able to pay customs duties and internal revenue taxes by checks on reputable national banks. The Government last year deposited \$60,000,000 in the National banks, but that amount

in a very short time came back through the payment of customs and internal revenue dues, and therefore it was of no benefit whatever to the country. I ask the adoption of this report.

Mr. WOOD, of Philadelphia.—As I understand that resolution, in a time of suspension of specie payment, the Government would be without recourse, would have no means of getting a gold income, on which our foundation of credit stands. It would cut off entirely the income of the United States from a metallic basis.

Mr. ZUCCA.—A certified check on a reputable bank is good.

Mr. WOOD.—Yes, but the bank might refuse to pay. It seems to me it would cut away the whole credit basis of the United States.

Mr. ZUCCA.—The banks refused to pay during the recent crisis because they had not currency enough.

Mr. FLASH, of New York.—I second the resolution of Mr. ZUCCA, and move its adoption as read.

The PRESIDENT.—(Putting the question.) The Chair thinks we will have to have a division.

Mr. REYNOLDS, of Scranton.—Would it not be well, Mr. President, to separate these two subjects reported from the committee? It seems to me that the effect of the report on the first portion will tend to transfer the difficulties and disadvantages of the importer to the National Government. The attempt is to avoid the payment of premium on currency, while the obligation of the Government remains to pay the interest on the National debt and its disbursements on appropriations, and the Government must then do what the importer is now compelled to do. It seems to me it would be unwise to enact a law of that sort after all our years of experience on the payment of customs.

The PRESIDENT.—The report of the committee is separable. It is a report on customs and on drawbacks. We will first vote on the drawback portion of it, which will be read by the Secretary.

The Secretary read as follows:—

WHEREAS, There is no question whatever that the present drawback system is antiquated and can be improved and greatly extended for the upbuilding and increase of our export business; therefore be it

Resolved, That we endorse last year's recommendation that this subject shall be referred to a commission of experts to report, or that Congress shall pass a suitable drawback law for the benefit of our manufacturers.

The PRESIDENT.—The question is on the approval of the resolution just read.

The resolution was adopted.

The PRESIDENT.—The next in order is the first part of the report of the committee, which the Secretary will read.

The Secretary read as follows:—

WHEREAS, Under the present regulations the collector of the port compels importers to pay customs duties in United States gold and silver certificates, in United States bills or United States gold or silver currency, and accepts, as an accommodation to merchants, what are known as "Customs Transfers," issued by certain banks having deposited cash for that purpose with the Collector;

WHEREAS, During the recent financial crisis, in strictly adhering to the regulations, with the slight exception of accepting national banks' currency in payment of customs duties, importers were compelled to face the stern necessity of providing cash, obtainable only on premiums varying from $\frac{1}{2}$ to $4\frac{1}{2}$ per cent., as the banks had refused to issue these customs transfers unless cash be deposited with them, thus creating hardships, annoyances and expenses, easily avoidable without loss or risk to the Treasury Department.

WHEREAS, The time has come when changes in the present arrangements have become a positive necessity, and believing that the Government should not act in a hindering way against the development of commerce, but on the contrary should try to foster and facilitate it, safeguarding at the same time its own interests, it could be suggested that the Secretary of the Treasury appoint a committee of well-known and reputable financiers and bankers for elaborating a list of national banks whose surplus and undivided profits be a constituency of power and stability and whose certified checks be accepted by customs officials in lieu of cash in payment of duties on imported merchandise;

WHEREAS, This would be of great benefit to importers and other merchants, especially in such a time as we have recently passed through, and would save them from becoming the prey of unscrupulous bankers and speculators compelling the payment of exorbitant premiums for cash destined to be transferred to the Government; be it therefore

Resolved, That collectors of customs and internal revenues be authorized and directed by law to accept, in payment of duties and revenues, certified checks on national banks, thus avoiding the accentuation of a crisis, due to financial panic and the increase of premiums on currency, as has just happened.

Mr. REYNOLDS, of Scranton.—I would like to suggest that hereafter, when these topics are presented by committees, the particular part of the programme to which the reports refer be stated by page and number.

Speaking to this resolution, I have two objections to the report of the committee upon the resolution now under consideration:—

First, that it impugns the motives of the very large body of patriotic and high-minded persons connected with our great banking system who did very much in the period of financial stringency for the benefit of the country at large—made efforts most gigantic.

Secondly, that the Government of the United States is under obligations to pay interest on its bonds in gold.

Now, this motion seeks, I think, to take out of the dilemma individuals who are worthy of consideration, as it seems to me, and place the Government in the position of being obliged to pay enormous premiums for gold with which to pay the interest on the National debt. It seems to me that that is a position that no man or body of men should seek to place the Government in, by imposing upon it such a condition as that in order to relieve themselves of that situation. I think the report of the committee in that respect ought to be disaffirmed by this body.

Mr. ESTES, of Nashville.—I suggest to the gentleman that he strike out the words “authorized and directed by law” to accept, and that they be given the right to accept in their discretion in such a case as that.

The PRESIDENT.—Make that very distinct. You are advising an amendment.

Mr. ESTES.—I was making a suggestion, and if it is so amended I shall take pleasure in voting for the resolution.

Mr. ZUCCA.—Only as the collector of the port desired to accept certified checks or gold, is that what you mean?

Mr. ESTES.—Yes.

Mr. ZUCCA.—He does so now. The collector of the port, when there is not a panic, accepts checks, but not when there is a panic, just when it is needed most. There is the trouble.

Mr. HAMLIN, of Boston.—I desire to suggest a slight change. I suggest that if such an amendment be adopted, it should be in the form that the Secretary of the Treasury may authorize collectors to accept.

The PRESIDENT.—The Chair thinks Mr. ESTES would accept it in that form.

Mr. HAMLIN.—I hope the gentleman will accept.

Mr. ESTES.—Yes.

The PRESIDENT.—Mr. ESTES accepts that change. Does Mr. ZUCCA accept that?

Mr. ZUCCA.—I think the committee will accept that. I will state that the collector of the port of New York says that if he accepts checks he makes himself responsible, and he does not want to be. He says the law is against that.

The PRESIDENT.—That is very plain.

Mr. ZUCCA.—In times of stress we have to pay enormous premiums for gold and this is a great hardship. My bank said to me, "Mr. Zucca, we can't give you gold; we haven't got it."

Mr. ANDERSON, of Cleveland.—Mr. President, I do not rise to make an extended argument, but I am very sorry not to hear my distinguished friend, Mr. HAMLIN, of Boston, give his reason for his suggestion in relation to the point made by Mr. ZUCCA. It seems to me that such a body as this should be very careful about the recommendations it makes to Congress. What is the reason that the customs officers of the United States are required to demand coin in payment of duties on imports? The fact is, Mr. President, that we have in circulation now 346,000,000 greenback dollars, so-called, on the back of every one of which are printed substan-

tially these words: "This note is a legal tender for all debts, public and private, except duties on imports and interest on the public debt." So that these revenue officers are required to take payment of dues in gold coin for the express purpose of assuring the world at large that these 346,000,000 demand notes, as they are now, shall be paid in gold coin, and that the bonds of the Government—or at least the interest—shall be payable in gold. Hence the National bank circulation is redeemable legally, as I understand it, in the greenback dollars, which are receivable for every purpose except those I have named.

I appreciate the dilemma in which Mr. ZUCCA and his associates were placed only a few months ago. But it is not unlike an attempt on the part of the Government to furnish umbrellas to every citizen. If that were done, I am afraid every man would leave his umbrella in his office or at his home, so that even if we all had umbrellas when the next storm came we would get wet. If we adopt the proposition some will be inconvenienced the same way. So it seems to me that it is better for us to ask Congress to remove perhaps the causes that brings about this condition, to which Mr. ZUCCA refers, and ask for the return of that large amount of greenback dollars that are simply promises to pay and against which we are carrying a reserve of \$150,000,000 in gold, and which in trying times are a menace to the business interests of the nation. What Mr. ZUCCA complains of is only the symptom of the disease. We should cure by getting at the root of the trouble.

Mr. HAMLIN.—I have a suggestion to make which may perhaps be accepted by all. This long preamble states a great many questions of fact. Concerning the law connected with those facts there may be a difference of opinion, and I therefore move to substitute the following resolution, which is in the exact words of the proposition from the Italian Chamber of Commerce:—

Resolved, That the Secretary of the Treasury should be authorized to instruct collectors of customs duties and internal revenues to accept in payment of duties and revenues, in time of money stringency or other events, certified checks on national banks, thus avoiding the acuminat-

ing of a crisis, due to financial panic, and the increase of premium on currency, as has just happened.

If that authority is given the Secretary of the Treasury, of course he would not exercise it except where the Treasury was unable to supply the gold. That might possibly be the means of alleviating the necessities of the merchants. It seems to me that by striking out the preamble and giving the Secretary of the Treasury this power it meets what we all want done in times of stress.

The PRESIDENT.—The Chair understands that the mover of the resolution accepts the new form.

Mr. ZUCCA.—It is the same thing.

Mr. ESTES.—Mr. President, this may be entirely satisfactory to this body, and I judge it from the expressions I have heard, and therefore I do not expect to consume time in argument. Yet I do not see how the United States Government would, upon the adoption of such a policy as is outlined in that, ever be subjected to embarrassment. The Secretary of the Treasury is necessarily entrusted with the disposition of Government funds and the handling of the financial affairs of the country, and he could certainly be trusted to discharge and administer this part of the financial policy of the country as wisely as any other man could. Whenever we actually needed gold or currency, of course he would not authorize these payments to be made in bank checks. Take the condition that existed in October and November, when nobody was demanding gold and when the Government was discharging all its obligations in checks; that was a purely artificial condition, creating a hardship upon everybody who had internal and customs duties to pay. In my opinion it was an unnecessary hardship. The Government did not require the currency. It was doing all it could to get the currency out of its vaults and into circulation, and yet this arbitrary condition was forcing the money back into the Government vaults. I say it was an unnecessary condition, and I think the adoption of the resolution giving the Secretary of the Treasury this discretion will be invaluable, not only for the purpose of relieving all

men who pay these customs dues, but will be a general benefit to the country.

The question was called for.

The PRESIDENT.—Mr. HAMLIN's proposed substitute is the same in sense exactly.

The SECRETARY.—Shall I read it?

The PRESIDENT.—The Chair thinks it would be well to read it.

The Secretary read as follows:—

That the Secretary of the Treasury should be authorized to instruct, in his discretion, collectors of customs duties and internal revenues to accept in payment of duties and revenues, in time of money stringency or other events, certified checks on national banks, thus avoiding the acuminating of a crisis due to financial panic and the increase of premium on currency, as has just happened.

The resolution was adopted.

AMERICAN MERCHANT MARINE.

The following report of the Committee on American Merchant Marine was read and submitted by Mr. G. WALDO SMITH, of New York:—

The National Board of Trade believes that the greatest commercial question, involving the interest of the entire country, is the re-creation of the Merchant Marine, and it deplores that no action has been taken by Congress.

The carrying trade of the United States is practically monopolized by aliens, who have established their lines from its ports to all parts of the world.

This Board strongly urges the immediate establishment of American mail and freight lines to South and Central America, Australasia, South Africa, China, India and Japan, and to our dependencies.

The Board further advocates that proper encouragement should be given to creating an American-built sail and steamer tonnage, so necessary to the extension and protection of the commercial growth of the country.

An adequate merchant marine is of inestimable value in time of peace, and absolutely essential in time of war; therefore be it

Resolved, That in our judgment the commercial interests of the country require prompt legislation such as will result in the re-establishment of an American merchant marine.

Signed: G. WALDO SMITH,
WM. HARRISON DOUGLAS,
W. B. LIVEZEY,
JNO. JAY EDSON,
F. L. HITCHCOCK,
E. R. WOOD,
JAMES RICHARD CARTER,
F. H. VIAUX.

Mr. WALDO SMITH.—I move the adoption of the resolution.

Mr. DOUGLAS, of New York.—Gentlemen, I would like to congratulate the National Board of Trade by reason of the fact that there is no resolution before this Board from the constituent organizations that is not thoroughly in accord with the principles as elucidated in that resolution. I also wish to congratulate the President of our organization for the very able remarks he made in his opening address to us on that subject.

The general question of the rehabilitation of the American Merchant Marine has been so thoroughly discussed before this body and before our constituent organizations, and so thoroughly debated in the papers, that I shall confine myself strictly to the resolution presented to this Board.

You will note that the first clause calls attention to the fact that at present the carrying trade of this country is practically monopolized by foreign and alien ships; that under the favored-nation clause of the Constitution we have given to the nations of the world the right to enter our ports and have the same privileges as American shipping. We have also extended to them the courtesy of lading with the same privileges that are extended to our own ships. I do not think there is any man here or any man in this country who ever assumed that when we extended those privileges to other nations we meant that those nations should come here and establish their permanent lines. That is a far different proposition, and one which assails the commercial interests of this country in a very vital way. England would never have been satisfied, and neither would Germany or France, to have American

vessels enter their ports and become permanent fixtures there, and this country should not be satisfied.

It is only necessary to give one slight illustration. English and German lines run their vessels out of Bremen, Southampton and London to different parts of the world, and those same lines send vessels here and establish themselves permanently at our ports. Now, it stands to reason that if there are large contracts being let in Africa, India, China and elsewhere, it becomes a very important question as to who will secure those contracts, whether Germany, America or England. Why should we place it in the power of aliens controlling foreign shipping lines from New York and our other seaports, as well as from Bremen and London, to take those contracts away from us and place them elsewhere to our detriment? That is the reason why we put that first clause in our resolution.

The second clause deals with the establishment of mail and freight lines. It goes without saying that mail lines must first be established and then freight lines will follow. It is well known that England, who has given great attention to this important subject, by reason of her geographical position and interests, as well as by reason of her large colonial possessions, has in all cases been free to give subsidies to mail lines. That was for her interest. But, gentlemen, she has veiled and closely guarded the fact that she has always given her subventions conditionally upon sail vessels, built in her yards, should also go to the various ports. I was told by a gentleman connected with what is now called the Union Plant Line that when he received the first Government subvention, although his vessels then only steamed thirteen or fourteen knots, it was distinctly understood that the line was to follow those mail steamers by tramp steamers, which would take the surplus products of the English nation to her benefit.

Now, if we will simply follow along those lines and establish commercial relations with foreign ports, diversifying our interests by establishing from New York such lines as would necessarily have to be established, and then take the west coast of China and Australasia and the southern ports of South America, the West Indies, Panama, and going to Boston and elsewhere, we will establish a connected chain with other

parts of the world that would undoubtedly redound vastly to our credit, and in five years, in my opinion, increase our exports by 40 per cent. That is the reason for the second clause.

The third clause touches a very vital point, and that is the creation of a merchant marine of individual ownership, that is, the small tramp steamer and the sailing vessel. That is absolutely essential for the development of the commercial interests of the country. Men who deal in the export business in every port will undoubtedly confirm what I say, that to-day we are hampered to a degree absolutely ruinous by reason of the fact that we are not able to secure the necessary tramp steamers and sailing vessels to carry our products. That touches the farmer as closely as the merchant. To-day, for instance, there are at least six cargoes for steamers on our west coast below San Francisco, Seattle and Tacoma, and yet it is impossible to obtain those vessels within sixty or ninety days. If we had home-built vessels they would be available at all times. By reason of that fact we are probably losing over \$1,500,000 in wheat, flour and lumber that could go to Asia, Africa and Australasia. We have lost the carrying of much lumber as well. There is not a merchant in New York doing a large export business but would tell you that if we had proper subventions all our vessels would be built in our American yards, and gradually our exports on American ships would grow larger. That is a matter which I believe the people of the country absolutely demand, and that is the reason for the third clause.

The fourth clause deals with questions of peace and war. There is nothing new or important to say in regard to peace. Our country produces many articles in times of peace. The products of the mine, the field and the factory come from inland to our seaports, and it is a disgrace that the American flag is taken down when those products reach a seaport and we have to put them on alien ships flying alien flags in order to send them to other parts of the world. [Applause.]

You all know about war. We recently sent a magnificent fleet of sixteen warships, unequaled by that of any nation of the world, to go on a mission of peace to visit foreign lands. Yet at the same time we were in that humiliating position that

we had but one ship that could fly our flag and carry the necessary provisions and coal to man and equip that fleet properly.

There are two propositions which can be arranged to accomplish this purpose. The first is a proposition to have the United States build all colliers and transports needed in case of war. But, gentlemen, that would only be done at an enormous cost. I do not hesitate to say that at least \$100,000,000 would have to be paid out by the Government to secure an adequate number of transports and colliers in case of exigency.

Under those circumstances does it not appeal to gentlemen of this Board as far more desirable and better that we should, by proper subvention or in some other way to be determined by Congress, secure properly built ocean steamers and sail vessels so that those vessels will be run in times of peace for the benefit of the country? Then when war shall assail us, if it ever does again, the President of the United States will be able to call upon, not ten or twenty vessels that may be hanging around our navy yards, but will be able to call upon a thousand, if necessary, splendid ships, to do our own carrying on requisition of the Government, perhaps within twenty-four hours, or certainly within a week. I think it will appeal to every man here that this is the best and most economical plan, and that is the reason for that fourth clause.

I think that covers generally all the recommendations we have made. The committee was unanimous on these points, so I will not consume further time regarding general features, because, as I said in the beginning, they are generally thoroughly understood and thoroughly agreed to by all of us. I only want to say this, I think it is time we should make a stand. I think it is time that this Board and every trade organization, every chamber of commerce and board of trade throughout the United States should make its voice heard on this important question for the benefit of our people. Congress has been a laggard for twenty years in relation to this matter, and we should not be satisfied with anything but full justice, now that we have waited so long.

Why, it was only three years ago that a joint commission was appointed by Congress, which traveled through the country investigating, and made proper recommendations finally. Yet so unwilling to act or so dilatory has Congress been that to this day it has not moved for the benefit of this great interest. In fact, they started out with a splendid bill, but they did not put it through. They then dismantled the ship which was to fly our flag, took off half the masts. Then last year they put in another bill which would have had practically the effect of stripping the ship of all that was left, and to-day they are simply giving us a measure as to which it is very questionable whether it will be of advantage to us at all. It simply increases the subvention to mail carrying ships, putting them in the first class, instead of the second class. While I am perfectly willing to take whatever we can get from Congress, I think we should speak with a loud voice as to what we think we ought to have, and then perhaps we might be grateful for what we could get. But let us not for a moment get away from that idea which is fixed in the minds, I believe, of most of the people of the country, that if we do not do something, and if any catastrophe should arise in consequence of which we could not secure ships, and aliens could not carry our agricultural, mining and manufacturing products, we would lose more than in five or six months of war, to say nothing of twelve months of war if it should unfortunately happen between two great nations, than all the subventions you will possibly pay in fifty years, at the rate proposed of \$5,000,000 to \$8,000,000 per year.

I therefore hope that this resolution will pass. It has been carefully and conscientiously drawn, having in view the ends we so much desire. [Great applause.]

Mr. GIBSON, of New York.—I want to second the resolution on behalf of my fellow-citizen, Mr. DOUGLAS, and I wish to say to the gentlemen here that Mr. DOUGLAS speaks from a vast experience. He is President of the Produce Exchange of New York City, and has been for a long time. He is himself in the shipping business, and when he castigates Congress and tells you what sort of people Congressmen are, it

may not be news to you, but he also speaks from experience.

The PRESIDENT.—Very good. Gentlemen, are you ready for the question.

The report of the committee was adopted.

INTERNATIONAL ARBITRATION.

Mr. ESTES, of Nashville, read and submitted the following report from the Committee on International Arbitration.

Your Committee on International Arbitration beg leave to report for adoption the following preamble and resolutions:—

WHEREAS, The substitution of arbitration for war as a means for settlement of international disputes is consistent with relations of dignity between civilized nations, and is demanded for avoidance of wastages of the results of productive human effort, and by every rational consideration based on features of humanity and morality; therefore

Resolved, That the efforts which have been made and are being made in this and other countries for securing arbitration arrangements for settlement of international disputes are hereby recognized as in the highest degree promotive of civilization and of the world's welfare, and that the continuance of such efforts is commended for the good of the present and later generations of mankind.

Resolved, That the failure of the recent Hague Peace Conference to create a general arbitration peace court is to be regretted, and that one should be established as soon as possible.

Resolved, That the ratification of treaties with other governments by the United States, which contemplate the adjustment of differences as far as possible by arbitration, is a matter of high importance to the interests of international commerce and humanity, and that a convention for a general arbitration treaty is heartily endorsed by this body.

Resolved, That all who have in charge the training of children and the preparation of books for their guidance should make use of such means for emphasizing the desirability of peace with its many and easily recognized blessings rather than the magnificent and costly barbarity of war.

P. M. ESTES, Chairman.

Mr. ESTES.—I move the adoption of that resolution, and I will simply say that the committee has been able to do better than simply to prepare the resolution and support it before the Board, that it has been able to secure the attendance of Mr.

James Brown Scott, Solicitor for the Department of State, who will be introduced by the President.

The PRESIDENT.—With your consent, gentlemen, it will give me very great pleasure to ask Honorable James Brown Scott, Solicitor for the Department of State, who is with us this morning to speak to you. Mr. Scott was a worthy delegate from the United States to The Hague conference, and we heard of the very good work he did there and of the respectable position in which he helped to place our country before that body. Therefore it is a great pleasure for the Chair to say that Mr. Scott will say a few words to us. [Applause.]

Mr. JAMES BROWN SCOTT.—Mr. Chairman and gentlemen, a few minutes ago I was telephoned and asked if I could come here and say a few words in favor of this resolution. My presence here is a sufficient evidence of my appreciation of the honor you have extended to me.

I listened with great pleasure to the reading of the resolutions, and was perhaps a little struck by a regret expressed by your Chairman, namely, that this assemblage regrets the fact that an arbitration court was not established at The Hague for the judicial settlement of international conflicts or disputes which, if not settled peacefully, might lead to war, or if not to war, might at least create a bitterness which would cause nations more easily to rush into war than otherwise. It is my great pleasure this morning to assure you that however worthy your Chairman is of confidence, you should not believe him when he says that [laughter], because, as a matter of fact, a project for the establishment of a court of arbitration was introduced and was passed, passed at the last moment, on the last business day while the Chairman or President of the conference stood with the gavel in his hand. The newspaper reporters had already come to regard that conference as a failure and were absent on that occasion, and because of that fact that project seems to have been little known or appreciated in our country.

The situation was this: In 1899 there was established what was called a permanent court of arbitration. The countries agreed to select not more than four persons to serve as judges

for not more than six years, and international controversies could be referred to that tribunal for the trial of cases. But the trouble with that was that it was not a permanent court, had no regular sittings, and had to be constituted for the occasion, and when it delivered judgment it adjourned. It was not a continuous court. The members of the court were not necessarily lawyers, jurists or judges, but were men of political affairs or diplomats. Their decision was not a judicial decision, such as you expect when you hale your adversary into a court of justice.

Therefore the American delegation to The Hague conference was instructed to present the project of the establishment of a court to be permanent, to be composed of judges representing different systems of law, and to be appointed for a period of years; that the court should be open, free of access, and the expense be borne by the nations, not by the individual litigants. The project consisted of thirty-five articles looking to the organization of the court, its jurisdiction and procedure. As I say, that project was adopted on the last business day of the session of the conference, with a recommendation to the Powers signatory to adopt the project for the establishment of a court of arbitral justice; that as soon as agreement was reached for the appointment of judges and the constitution of the court, its jurisdiction was to be complete, as elaborately set forth in this project, and the procedure was outlined. The judges were not actually appointed, but for the purpose of harmonizing interests it was left in this way: that any nation could establish a court and select judges, who, when appointed, should serve a period of twelve years. So that it is free to our Government at any time it chooses to enter into negotiations with, say, half a dozen powers to establish this court at The Hague permanently, with the necessary clerical assistance.

As compared with the Board of Arbitration of 1899, we think this is great progress. Mr. Root thinks that it is one of the crowning acts of the conference, and he believes that in good time the court will be established. This project, although introduced by the delegation from the United States, elicited the warm support of Great Britain and Germany. Those three Powers, and others since the conference, have indicated a will-

ingness to go ahead in an effort to establish this court in the course of the present year by the appointments of judges. So I think I may say that it is no longer a mere dream. The machinery is there for any who wish to set it in motion, and I am betraying no secret—because it was in the President's message—when I inform you that the Department of State is taking up the matter seriously, and hopes in a short time to have a permanent court, composed of judges, acting under a sense of judicial responsibility established at The Hague and open for the examination and adjudication of international disputes.

In 1899 arbitration was recognized as the most efficacious method of settling international difficulties. In 1907 it was declared to be not only efficacious, but desirable that nations should arbitrate disputed questions, and a project was introduced for a universal treaty of arbitration. But that was opposed by a small minority. For example, our project, the ordinary project for arbitration with reserved independence, the vital point of honor, received a majority of four votes in the conference consisting of representatives of forty-four independent States; but because of certain additions made to it, the majority for the final form as recommended by the committee was not so large. The minority consisted of Powers that refused to yield, and in the interest of conciliation, the project being open to amendment, a declaration was adopted by the conference unanimously, recognizing not merely that arbitration is efficacious and desirable, but acknowledging the principles of obligatory arbitration and unanimously pledging their support to incorporate it in a new form at some future time.

No State will hereafter, I think, hold a brief against obligatory arbitration, with perhaps some reserves. The Governments that were willing at that time to enter into such a treaty have since agreed to enter into special treaties, which are being negotiated at the present time, arbitration treaties based on the resolution adopted at The Hague last summer.

And finally I would like to say a word—as an academic person, because I belong to the academic world—I would like to say an academic word in favor of peace as against war. Peace is the normal condition of things. War is abnormal, conducted for the purpose of destroying an equilibrium which

has been jarred. When I went to school, not very long ago, battles were considered the great things; it was considered important to know who commanded on the one side, who commanded on the other, how many men took part, and how many men were lost. Why sensible and reasonable people should rush to arms and what was the result of their rushing to arms seem to have been forgotten. There is a tendency at the present day to consider the triumphs of peace, to pass over the mere brutal part of it, the mere conflict, and look at cost and results. There is a very strong tendency at the present time to consider peace as the normal method of solution of international difficulties as the hope for the future. Therefore, I hope this resolution will be carried, recommending to the universities of the country that academic instruction be given on the subject of arbitration, its development in the last century, the principle of it, what can be arbitrated, the history of arbitration, the best methods of selecting arbitrators, whether the court should be a temporary court, a permanent court, or a mixed court, and thus wean away a little, as it were, the devotees of war. As long as we are occupying our present status we must go through the form of killing our opponent, instead of reasoning with him and leading him to a reasonable conclusion; but little by little a spirit will be generated in favor of international peaceful conciliation, and I know no way to bring it better before the student at the formative age than by our recommending a course of study upon the theory and practice of arbitration, a course of study in our institutions of learning, and a recommendation from such bodies as this that such instruction be given would, I am sure, be a great step forward. When this permanent court shall be organized it will be free and easy of access, constantly in session, either having a full bench or provisions made for a smaller number, and then nations will not have the excuse of objecting to the constitution of the court or of the manner in which the judges were selected. The only possible excuse for not going into that court with a proper case will be that the Power is not so sure of its cause as to be willing to submit it to international jurists. [Applause.]

Mr. ESTES.—I would feel very much more mortified at the mistake to which Mr. Scott has called your attention but for the fact that our great authority, the New York Produce Exchange, is the really guilty party. [Laughter.] It should not be wondered at that I, a delegate from the provinces, should be guilty of such a mistake, but I confess myself surprised that the newspapers of the country should not have familiarized this Exchange with the greatest achievement of a hundred years' arbitration. We would desire to amend that report by striking out the clause which is the mistake and by congratulating The Hague Peace Conference upon the fact that they had accomplished this great result, and would desire to commend to our State Department the propriety of taking every proper step to carry it into immediate effect.

Mr. DOUGLAS, of New York.—Mr. President, I did not expect to speak again on this subject.

The PRESIDENT.—We are always glad to hear you again.

Mr. DOUGLAS.—I think we all listened with great interest to the very lucid explanation of Mr. Scott. I think he made it very clear that no permanent arbitration had been arranged by The Hague tribunal. True, as he says, they went a step towards that attainment which we all so much desire, but I do not think his remarks have accomplished anything toward convincing us that that object has been attained. They simply made a short step towards the goal. I think I can still sustain the statement of the New York Produce Exchange that there is no such court yet established as a permanent court.

Mr. EDSON, of Washington.—Mr. President, I have had some information as to what has been accomplished. Some things have been referred to here with which I had not been acquainted, but I thought I had understood what had been accomplished at The Hague. The Hague Conference did say that the principle of an international court was desirable, and that one should be established. The disagreement was upon how the judges should be appointed. Mr. Scott, I have heard, was the man behind the guns, modest though he appeared to be. His services were so valuable that when he returned to

Washington he was tendered a complimentary dinner by the most prominent men of the Capital. The clause that went in as finally agreed upon was that when any two or more nations should agree upon a court, that court should be established. Mr. Scott has told you that three of the leading nations of the world had assented to that proposition, that our Secretary of State was communicating with others, and that at an early date there would be a court of international arbitration established at The Hague. I believe that within a year, or perhaps less time, five or six of the leading nations of the world will agree to the establishment of a court of international arbitration, and then other nations will follow. Then war, with all its machinery for the destruction of life and property, which has almost reached the limit of endurance, will be dispensed with. [Applause.]

The PRESIDENT.—Mr. ESTES has made a change in the resolution, and the Chair thinks it would be well if Mr. ESTES, as Chairman, would read the change so that all may understand just what it is.

Mr. ESTES.—In a moment. Let that be passed until after the recess.

PARCELS POST.

Mr. FERNLEY, of Philadelphia.—Mr. President, I have a request to make. I ask that the report of the Parcels Post Committee be made the special order for the beginning of the afternoon session to-day.

The PRESIDENT.—That request has been made to the Chair, but we have arranged it for 10 o'clock to-morrow morning. You have a minority and majority report, have you not?

Mr. FERNLEY.—Yes, sir.

A DELEGATE.—I would like to say that some of the members of the committee, who are on my side of the fence, cannot be here to-morrow morning, and it would accommodate us if we could have that taken up this afternoon.

Mr. FERNLEY.—Some gentlemen interested on the other side of the question find it utterly impossible to be here to-morrow morning. For that reason we ask the convention to take up this important subject at the afternoon session to-day. I move that the report of the Committee on Parcels Post be presented at the beginning of the afternoon session to-day. If the gentlemen of the convention will vote in favor of that motion I assure you that we will make but a very brief argument, and it will not take up very much time this afternoon.

Mr. ROBINSON, of Philadelphia.—There is already a special order that takes precedence, that of the report of the Committee on Nominations shall be considered as the first order of business this afternoon.

The PRESIDENT.—That will only take a few minutes.

Mr. FERNLEY.—Then make this the second order of business.

The PRESIDENT.—The question is upon Mr. FERNLEY's motion to take up the report of the Parcels Post Committee as the second order of business this afternoon.

The motion was agreed, to and it was so ordered.

IMMIGRATION.

Dr. WILSON, of Philadelphia.—Mr. President, I wish to offer a resolution on immigration. I refer to the bottom of page 27 and pages 28 and 29 of the Programme for the resolutions which have been sent in.

Dr. WILSON read the report of the Committee on Immigration, which, after certain changes were made therein, is printed hereafter.

Dr. WILSON.—I move the adoption of this report.

Mr. GIBSON, of New York.—I would like to ask whether the information the Government shall furnish to these immigrants, to be given them at the ports of embarkation or in the countries where they reside, is to be printed in their language or in ours.

The PRESIDENT.—Dr. WILSON will answer that question.

Dr. WILSON.—We shall be glad to accept that suggestion.

The SECRETARY.—Will you add that to your report?

Dr. WILSON.—We will be glad to do so.

The PRESIDENT.—That is a very good suggestion.

As modified, as indicated above, the report of the committee was adopted in the form following:—

Your Committee on Immigration begs leave to report as follows:—

Resolved, That the National Board of Trade is strongly opposed to any and all legislation intended to discriminate against Japan or her citizens, but on the contrary it is believed that every effort should be made to cultivate and promote the most intimate commercial relations between the two countries, and that all privileges now enjoyed by the most favored nations should continue to be extended to the Japanese.

Resolved That we deprecate all unnecessary harshness in the administration of the laws, rules and regulations governing the admission of the exempt classes of Chinamen into the United States, and believe that all Chinese travelers, merchants, traders and students should be admitted upon the presentation of passports issued by American officials in China.

Resolved, That in order to prevent the undue concentration of immigrants to some parts of our country and to encourage their better distribution in sections where conditions may be more favorable, the United States Government shall furnish to incoming immigrants, at the port of entry, and also, so far as may be found practicable before their departure from their own country, trustworthy information, printed in the language of the country of the immigrants, regarding the resources and the conditions of life which confront the followers of different occupations in various States and territories.

Resolved, That we recommend to Congress that it furnish sufficient means to the Commissioner-General of Immigration to improve the facilities for handling immigration at the Atlantic, Gulf and Pacific ports in order especially to promote the better distribution of immigrants over the entire country.

ORDER OF BUSINESS.

Mr. LOGAN, of Pittsburg.—It seems to me that our plans of appointing committees and their meetings are not what they should be; that we lose much valuable time and a great many members are really prohibited from being at the meetings of the convention to hear the discussions and the reports of

committees, which is really what we come here for. Therefore I move that the President of the National Board of Trade be requested, in appointing committees, to name the time and place when and where each committee shall meet, fixing the meetings in such a way that they will be likely to have time enough to complete their work and be ready to report at the first session of the body on the second day, even if their sittings might have to be held and continued to a later hour than usual. I move that the President be instructed, or requested, to make his appointments and fix the hours and places of meetings of committees for our next session.

Mr. ROBINSON, of Philadelphia.—I desire to add the suggestion that the Secretary, in communicating with the constituent bodies, request them to suggest names of delegates for appointment on the different committees.

The PRESIDENT.—He always does that and delegates are always appointed according to request. We have had some complications because the Secretaries of some of the constituent bodies have asked the President to place, say, one man on as many as six different committees.

Mr. ROBINSON.—I think the Secretary then should request them hereafter to suggest only one man on each committee.

Mr. LOGAN.—I will accept that suggestion.

Mr. LOGAN's motion as modified was agreed to.

The PRESIDENT.—In this connection it occurs to the Chair to suggest that it might be profitable for this Board to have more than three days for these annual meetings, and the Chair is seriously considering whether he will not recommend that at the next meeting, and thereafter, we should limit ourselves to three days, as has been usual, but if necessary take four days.

CIVIL SERVICE FOR THE THIRTEENTH CENSUS.

Mr. EDSON, of Washington.—Mr. President, I ask unanimous consent to introduce a resolution.

The PRESIDENT.—Is it a long one? We must adjourn at 1 o'clock so as to be ready to proceed to the White House

and be there at 2.30 o'clock to pay our visit of courtesy to the President of the United States. The Chair will first ask Mr. EDSON to read the resolution, and then the Chair will take the sense of the body upon its consideration.

Mr. EDSON read as follows:—

WHEREAS, The time for the thirteenth decennial census of the United States will soon arrive, and the Congress of the United States is likely, at its present session, to consider legislation fixing the manner in which the employees of the Census Bureau shall be selected; and

WHEREAS, The President of the United States, the Civil Service Commission of the United States, and Honorable Carroll D. Wright and Honorable Robert P. Porter, former Directors of the Census, have strongly urged that the efficiency of the official force would be enhanced and the cost of the census decreased by placing the Census Bureau under civil service law, the same as other branches of the executive departments; and

WHEREAS, The National Board of Trade believes that the selection of census employees by other methods, in the tenth, eleventh and twelfth census imposed an unnecessary burden of expense upon the taxpayers of the country, which the enforcement of the competitive merit-test would prevent; now, therefore be it

Resolved That the National Board of Trade strongly urges that the force to be employed in taking the thirteenth census, except supervisors and enumerators whenever it is impracticable to satisfactorily apply said methods to these classes of employees, be selected under the civil service law and regulations.

By unanimous consent the Board proceeded to the consideration of the foregoing resolution.

The PRESIDENT.—The question is now upon the adoption of the resolution.

Mr. CARTER, of Boston.—As a practical business man, I think we believe that the Government shall be conducted upon practical business methods. I do not see how there can be a dissenting vote against the adoption of that resolution for putting the Census Department, as far as possible, under civil service rules, rather than under the old patronage plan, which increases expense and decreases efficiency. I hope there will not be a dissenting vote. There is now a bill pending in Congress, in the line of the old patronage system, which, if enacted, will certainly increase the expense and make less the efficiency.

The PRESIDENT.—Gentlemen, are you ready for the question on the new resolution reported by Mr. EDSON?

The resolution was adopted unanimously.

At 1 o'clock P. M., on motion, a recess was taken to 3 o'clock P. M. During the recess the delegates, as a body, paid a visit of courtesy to the President of the United States.

AFTERNOON SESSION.

The Board was called to order by the President at 3.06 o'clock P. M.

The PRESIDENT.—Gentlemen of the Board, I have asked Mr. AMBROSE SWASEY, of Cleveland, First Vice-President, to take the Chair.

Mr. SWASEY took the Chair.

NOMINATION AND ELECTION OF OFFICERS.

The PRESIDING OFFICER.—Agreeably to the action taken by the convention this morning, the first business will be the presentation and consideration of the report of the Nominating Committee.

Mr. VIAUX, of Boston.—Mr. President, your committee reports the following nominations:—

FRANK D. LA LANNE, President, Philadelphia, Pa. [Applause.]

P. M. ESTES, First Vice-President, Nashville, Tenn. [Applause.]

CLINTON WHITE, Second Vice-President, Boston, Mass. [Applause.]

WM. R. TUCKER, Treasurer, Philadelphia Pa. [Applause.]

Gentlemen of the convention, I voice the unanimous sentiment of the committee, which is doubtless the expression of the entire Board, that this organization has been most fortunate in its President. He has been no perfunctory officer, content to fulfil with tact and dignity the limited duties of

appointing committees and presiding over our deliberations once a year. He has conceived the office of President of the Board to be one of larger import, that a central body of merchants seeking accomplishment should be conducted on lines of analogy with those of a commercial corporation, and that its President should, like the active president of a bank or any business concern, work not alone during the short period of an annual meeting, but throughout the entire year as its executive officer towards its upbuilding and expansion. How thoroughly and conscientiously and acceptably he has so worked we all know. And he has supplemented his continued interest in our work with such attractive qualities of conscientious fairness, of friendly consideration and of fine geniality and good fellowship as to easily capture and hold our esteem, confidence and affection. Such unanimity of feeling towards a presiding officer always operates beneficially to the society as an agency of harmony.

The expression of our appreciation of our President's work we can best make concrete by unanimously impressing him into our service for another year, while thanking him most cordially for his past effective work, and in behalf of the Committee on Nominations I move you, sir, that the Board proceed to the election of a President, two Vice-Presidents and a Treasurer of the Board.

The PRESIDING OFFICER.—Gentlemen, the Chair feels sure that you will be glad to express yourselves upon this most admirable report in the most emphatic way. The Chair will therefore put the question without waiting for a second.

The report of the committee was unanimously approved.

The PRESIDING OFFICER.—Shall we proceed to the election of the officers?

Mr. VIAUX, of Boston.—I move that we take the vote for President by standing.

Mr. HARVEY, of Philadelphia.—I think our election must be by ballot. Is not that correct?

The SECRETARY.—That is correct.

Mr. HARVEY.—I move that Mr. ROBINSON be authorized to cast one ballot of this body for the election of President.

The motion was agreed to.

The PRESIDING OFFICER.—Mr. ROBINSON will kindly cast the vote of this body in accordance with the report of the Nominating Committee, for Mr. FRANK D. LA LANNE as President.

Mr. ROBINSON.—I declare that I have cast the vote as instructed.

The PRESIDING OFFICER.—The Chair will ask all the members to rise and give their assent.

All the delegates arose.

Mr. CLUM, of Cleveland.—I move that the Secretary be instructed to cast the vote of the Board in favor of Mr. ESTES as First Vice-President.

The motion was agreed to.

Mr. COPPINS, of Boston.—I move that the Secretary be authorized to cast one ballot for Mr. CLINTON WHITE as Second Vice-President.

The motion was agreed to.

Mr. KELLY, of Philadelphia.—I move that Mr. ROBINSON be authorized to cast the vote of the Board for Mr. WILLIAM R. TUCKER as Treasurer.

The motion was agreed to.

The SECRETARY.—I have cast the ballot of the Board for Mr. ESTES as First Vice-President, and for Mr. CLINTON WHITE as Second Vice-President.

Mr. ROBINSON.—I have cast the vote of the Board as instructed, for the election of Mr. WILLIAM R. TUCKER as Treasurer.

The PRESIDING OFFICER.—Then the Chair announces the election of Mr. FRANK D. LA LANNE as President; Mr. P. M. ESTES, First Vice-President; Mr. CLINTON WHITE, Second Vice-President, and Mr. WILLIAM R. TUCKER as Treasurer.

Mr. KELLY.—I move that the Chair appoint a committee of two to escort Mr. LA LANNE to the chair.

The motion was agreed to and the Chair appointed Mr. VIAUX and Mr. HARVEY to escort the President-elect to the Chair. The committee escorted Mr. LA LANNE to the Chair and all the delegates arose to greet the President-elect upon his assuming the Chair.

The PRESIDING OFFICER.—Mr. LA LANNE, the Chair announces to you that you have been elected as President of the Board, and I want to say personally, in carrying out the sentiments already expressed by the Chairman of the Nominating Committee, that we all heartily join in thus welcoming you again as the leading officer of this National Board of Trade, and I shall be most happy to turn the Chair over to you.

The PRESIDENT.—I have not craved this honor, gentlemen, but I do not think there is a greater honor that could be bestowed upon a merchant, a man who has the interest of commerce at heart, who has made what little he has by commerce, than to be elected President of this influential National Board of Trade. We have accomplished a great deal, and we are going to accomplish a great deal more. I had hoped that your confidence in me would not be so great as to re-elect me. I had in mind another man, a better man, to be your President for the ensuing year. But if it is your wish I accept the office with humbleness. I do not set myself up for a genius or a very learned man, but I will do the best I can. I again thank you, gentlemen. [Great applause.]

POSTAL AFFAIRS.

The PRESIDENT.—Mr. ACKER will now present the report of the Committee on Postal Affairs.

Mr. ACKER, of Philadelphia.—We present this resolution first for action, there being two others:—

RECLASSIFICATION OF MAIL MATTER.

WHEREAS, The Postmaster-General having stated that from methods inaugurated, for the first time in the history of the Post-office Depart-

ment, it will be possible to figure intelligently the actual cost to the Government of handling the mails and give definite results at the end of the calendar year in regard to relative costs of the different classes of mail matter and the expense to the Post-office Department of the franking privileges and of the free service rendered to the other departments;

Resolved, That the National Board of Trade strongly advocates a revision of postal rates that the gross injustice may be eliminated of a large portion of our citizens being compelled to pay an enormous profit on the service rendered them to make good the large loss caused by gratuitous service to a fortunate minority.

Resolved, That through intelligent and just revision one-cent letter postage should be made possible without loss to the Government, and should be adopted without further delay.

The PRESIDENT.—Gentlemen, you have heard the resolution. What is your pleasure?

The resolution was adopted.

Mr. ACKER.—The second resolution is in regard to the consolidation of third and fourth-class mail matter, as follows:—

Resolved, That third and fourth-class matter should be consolidated as third-class, the line of demarcation between them being an arbitrary theory only, the cost of handling being apparently the same for both classes, yet one hundred per cent. higher rate being imposed on fourth-class matter.

Mr. FERNLEY, of Philadelphia.—Before we vote upon that I should like to ask for a rereading of the latter part of that resolution.

The PRESIDENT.—The Secretary will please reread that.

Mr. ACKER.—I also find it on the official programme.

The Secretary reread the resolution.

Mr. HITCHCOCK, of Scranton.—Everything comes in as third class.

Mr. FERNLEY.—It seems to me there are several objections. If I understand that resolution correctly, it means a vital reduction in the cost of carrying merchandise. Merchandise to-day is carried at the rate of 16 cents a pound. As I understand it, the rate on third-class matter is 8 cents a pound. Is that correct?

Mr. ACKER.—That is correct.

Mr. FERNLEY.—This is a feature of the parcels post. It is a measure which is advocated by a class of merchants, small in number, but doing a very large volume of business, and whose business policy is very much opposed to that of the ordinary wholesale and retail merchants of the country. I allude to mail-order houses, located at the present time almost exclusively in the city of Chicago, who are doing an annual business amounting approximately to \$100,000,000, which business to that extent is being taken away from the ordinary channels of the retail merchants of the country, and naturally affecting also the wholesalers in our large cities represented by your respective Boards of Trade, Chambers of Commerce and other organizations, and for that reason I desire, in the name of the wholesale and hardware men of the country and other wholesale merchants who have considered this proposition, to oppose any resolution which will tend to decrease the expense of delivery on the part of these mail-order houses by 50 per cent. I have been informed that it costs considerably more than 8 cents a pound to carry merchandise. If the law should pass in accordance with this resolution, it will mean a further deficit in the Postal Department.

We have just passed a resolution to the same effect as the action we have taken for a long number of years. I have not had the honor of being here twenty or thirty years ago, as has my venerable friend from New York (Mr. G. WALDO SMITH), who, I believe, has the record.

You have been passing it for about that time, and you are to-day paying 2 cents on your letters simply because you have allowed other matters to come into the postal service which have increased the already large deficit. The main reason why we have not 1-cent letter postage to-day is that second, third and fourth-class matter is being carried by the Government at a loss, while I am informed by gentlemen who have the figures at their tongues' end that the profit on 1-cent letter postage is 300 per cent.

Now, after passing a resolution which would mean a large reduction in the postal revenues, our committee come here with

another proposition which means a reduction in another class, and that reduction will put farther off the possibility of our getting 1-cent letter postage, and at the same time will play into the hands of the small number of merchants who are conducting a mail-order house business and will work serious injury to the wholesale and retail dealers in the country. I feel, gentlemen, that we ought to go very slowly in recommending any legislation which will have the effect of building up that kind of trade.

These mail-order houses, as most of you know, buy directly from the manufacturer; they issue a large and cheap catalogue containing a list of everything that a man may want from the cradle to the grave. There is scarcely anything that a consumer of goods can ask for that is not found noted within the pages of these catalogues. The only handicap on that kind of business is the question of delivery, and they have not been able thus far to get the United States Government to deliver their merchandise for less than 16 cents a pound. Notwithstanding that rate, they have found that they can conduct their business very profitably in many instances. In many cases they can send that class of goods by freight. I was told the other day of the case of a farmer who went into a drug house to buy sulphur, and was told that the price was 10 cents a pound. The farmer objected to paying that price, saying, "I can buy it at Chicago at 8 cents." The druggist was astonished that the man objected, and said, "You can go to hell and get it for nothing, and save the freight."

I am somewhat astonished that this proposition should have come from a gentleman for whose abilities I have the highest respect. This proposition, it seems to me, should have come from the Parcels Post Committee, if from any committee. It is a species of parcels post and looks toward a vital reduction in the price of merchandise. We have in this organization a large number of gentlemen who are not affected by this class of merchandise dealers. We have in this organization retired gentlemen, one of them being one of my most esteemed friends, a civil engineer of Philadelphia. Do not think that because you are not vitally interested others are not. There is not a whole-

sale merchant in the country, who will carefully consider this proposition, who will not seriously object to any measure that will mean a reduction in the price of his merchandise; first, because it means an additional deficit in your Postal Department; secondly, because it means that only a few would be greatly benefited, and third, it means the elimination, to a large extent, of the country merchant who is so desirable an element in every community.

I do hope that in the interests of this organization, as well as in the interests of fairness and equity among merchants, the proposition to reduce the price of merchandise will not prevail.

Mr. BURPEE, of Philadelphia.—Mr. President, I rise to a point or order.

The PRESIDENT.—What is the point of order?

Mr. BURPEE.—That there was a special order for the afternoon, that the report of the Committee on Parcels Post should be considered as the second matter this afternoon. It was my understanding that this report was brought up for consideration at this time on the ground that it would not lead to discussion. It has already led to discussion, and it is evident that it will lead to more. Therefore I make the point that the special order for the afternoon is the only business than can now be transacted.

The regular order was called for.

The PRESIDENT.—The discussion of this matter will have to be deferred until after the consideration of the report of the Committee on Parcels Post, because that is the order of the day. The point is well taken.

A DELEGATE.—I wish that point had been made before Mr. FERNLEY made his speech.

Mr. FERNLEY.—Mr. FERNLEY is willing to withdraw his speech and make it again, if you desire. [Laughter.]

The PRESIDENT.—The Chair will endeavor to keep within the rules and now calls for the report of the Committee on Parcels Post. Is the committee ready to report?

Mr. ACKER.—There is one other point, in regard to foreign postage.

The PRESIDENT.—The point of order is well taken and the Chair cannot recognize Mr. ACKER further on his report.

Mr. ACKER.—I will ask Mr. NEWCOMB, whose proposition, I think, does not recommend any action, if he will permit this to be read. There will be no discussion of it, I think. We can soon finish.

The PRESIDENT.—Does Mr. NEWCOMB yield?

Mr. NEWCOMB.—I yield for that purpose.

The PRESIDENT.—Then the discussion will come subsequently, and not to-day.

Mr. FERNLEY.—What about the vote?

The PRESIDENT.—The vote will come after the discussion. We have another report and the Chair feels under obligation and promise to proceed to the consideration of that after this.

Mr. CARTER, of Boston.—There are gentlemen present who would like to speak to this and who cannot be here to-morrow morning. It hardly seems fair to me to have them choked off now after a speech has been made against it. It seems to me not right to insist upon this point of order now.

Mr. BURPEE.—I made the point of order as soon as discussion had taken place. Otherwise it would not have been made.

Mr. CARTER.—It certainly is not fair to the other side.

The PRESIDENT.—The Chair will ask the Chairman of the Committee on Parcels Post whether he will allow Mr. BURPEE to say the few words which he has to say. That will be hearing one speech from each side.

A DELEGATE.—I object to any further proceeding.

Another DELEGATE.—I ask that Mr. BURPEE be heard.

Mr. BURPEE.—I think it is very appropriate that a few words should be heard from the other side, from our friends of the National Hardware Association. In the first place, this is not a discussion of parcels post. We have passed unanimously,

without any dissenting voice, a resolution in favor of 1-cent letter postage. Perhaps some of you may not realize that that 1-cent letter postage at the present rate on 1 cent for one ounce makes 16 cents a pound, and that it would certainly place the National Board of Trade in a very bad position if we should ask the Post-office Department to charge the same rate for samples of merchandise or even great bundles of hardware. Now, should we charge the same rate for samples of merchandise that we advocate for letters, 1 cent an ounce? The Postmaster-General does not in his report to the President advocate a parcels post at a low rate. We are not talking now about parcels post. We are talking about a four-pound limit for samples of merchandise, upon which the mail-order business has not been built up. The mail-order house employs no agents, but receives orders by mail. As a matter of fact, to-day the mail-order houses in Chicago, Boston, Baltimore or Philadelphia can send merchandise to the most distant point in Oregon at one-half the rates they can send by post. They can send to California a shipment of 50 or 100 pounds by prepaid express at 8 cents a pound. The United States Government cannot carry a larger package than four pounds and will charge 16 cents a pound. Now, should we say to the United States Government that the rate which we advocate for letters, 1 cent an ounce, shall also be the rate for merchandise? I do not think that is a fair proposition, or one that will be received as having had the careful consideration of this Board.

Mr. CARTER.—May I be given four minutes only?

A DELEGATE.—I object.

The PRESIDENT.—It is out of the hands of the Chair, because by a vote of the convention it was agreed that the parcels post matter should come up right after the election of officers. Mr. CARTER can only speak now by unanimous consent.

Mr. CARTER.—That is what I ask.

The regular order was called for.

The PRESIDENT.—The Chair does not want to be discourteous, particularly to his dear friend, Mr. CARTER. Is it the

sense of the convention that Mr. CARTER have three minutes? (Putting the question.) We will have to have a count.

A DELEGATE.—I think one objection is sufficient and that it cannot be determined by a vote after that objection is made.

The PRESIDENT.—The parcels post is called under the agreement.

Mr. ACKER.—In justice to the committee, I will simply say that they had a delicate matter in the subject assigned to them. This matter of consolidation of third and fourth classes of mail matter was part of the propositions submitted to the committee. I took the ground that that should have been referred to the Parcels Post Committee, because I thought it was pertinent to what had been referred to that committee, but after going over the matter carefully they concluded it was a separate matter, and therefore it was on the programme. I say that because I do not wish any one to feel that I would resort to an act of that sort to bring in a parcels post proposition in the report of the committee to which I am speaking now.

The next is on foreign postage, covering the resolution No. XXXIX, relating to universal international 2-cent postage.

FOREIGN POSTAGE.

Regarding the resolution 39, relating to universal international 2-cent postage, your committee is of the opinion that in view of the recent increase in the unit of weight from 5 cents for each half ounce to 5 cents for each ounce and 3 cents for each additional ounce that it would be inexpedient to ask for any further reduction in foreign postage at this time.

The resolution was adopted.

The PRESIDENT.—We will now take up the regular order.

Mr. BURROWS, of Cleveland.—Mr. President, when I rose a while ago it was for the purpose of trying to eliminate discussion by proposing that further debate be postponed until the consideration of the parcels post question. Now that committee has a matter in hand, propositions XL to XLVI, inclusive,

which seems to me to cover that question. The Parcels Post Committee decided that inasmuch as there were two bodies—those favoring the adoption of resolutions looking to legislation favorable to the extension of the parcels post system on one side, while the other body took the opposite side—there was no possibility of formulating resolutions that we could agree upon; and therefore we mutually and amicably agreed to formulate resolutions in the affirmative and in the negative. The report in the affirmative will come first, that will be presented by Mr. ACKER, and then I will present the report in the negative.

Mr. ACKER.—Mr. FLASH will present the affirmative.

The PRESIDENT.—Mr. FLASH presents the affirmative report of the Parcels Post Committee.

Mr. FLASH, of New York.—Mr. President, in presenting this affirmative side of the question I am not voicing my own sentiments, but the very strongly expressed sentiments of the body I represent, the New York Produce Exchange, as well as other kindred bodies, such as the Philadelphia Board of Trade, the Baltimore Board of Trade and the Italian Chamber of Commerce. I present the affirmative resolutions:—

FAVORABLE TO PARCELS POST.

WHEREAS, It is estimated that over 400,000,000 mercantile exchanges are made annually in foreign countries through the medium of their domestic parcels post, thereby greatly conveniencing and benefiting the general public and giving a healthful stimulus to their domestic commerce; and

WHEREAS, It is reasonable to assume that an efficient parcels post system would prove equally advantageous to the public in this country, and would prove equally effective in stimulating and facilitating domestic commerce; and

WHEREAS, The Postmaster-General has recommended the extension of parcels post upon rural free delivery routes, at a charge of 5 cents for the first pound, and 2 cents for each additional pound, with a weight limit of 11 pounds—believing that the above plan can be operated without loss to the Government and probably with profit; and, also, that the present domestic rate of 16 cents per pound shall be reduced to 12 cents, which is now the existing foreign rate, and weight limit be increased to 11 pounds, it being a manifest injustice to charge our own people 4 cents per pound more than foreigners; now, therefore be it

Resolved, That the National Board of Trade recommends to Congress the extension and improvement of the parcels post system upon the lines set forth and recommended by Postmaster-General Meyer in his annual report for the year ending June 30, 1907.

Gentlemen, in presenting this affirmative side of the question we feel that we are representing progress. We feel that any system that will facilitate the exchange of merchandise among the peoples of any country will be to their ultimate advantage, even though at first it should be found expensive. There are many things ultimately for the benefit of the people at large that do not pay in themselves and at first. Take rural free delivery, which has been a great expense to the country and has caused an increasing deficit, but who would want to reduce that system or do away with it? I do not think anybody would.

A DELEGATE.—We all would if we could get 1-cent postage.

Mr. FLASH.—I think opposition to the extension of that system is of the same general nature that was aroused when the railroads came and stage-coach owners objected because the railroads would put them out of business, or when steamboats were first used, because it was thought owners of canal boats would be ruined.

I think we would be advancing the cause of progress if we pass these resolutions, as I sincerely hope we shall.

Mr. ZUCCA, of New York.—I second the motion for the adoption of the resolution, though I am sorry that it is not as broad as our organization wishes. We believe in the cheap transportation of merchandise by parcels post. That will be for the greater benefit of the masses, though a few hardware merchants might object. I stand for the resolution of the committee.

Mr. FRY, of Philadelphia.—Mr. President, I merely want to call attention to the fact that in quoting the Board of Trade of Philadelphia as favoring the parcels post, they merely favor it so far as rural districts are concerned.

A DELEGATE.—Rural districts form a very large portion of the whole country.

Mr. FRY.—It is not the general subject. I merely wanted to place our resolution straight before this Board.

Mr. BURROWS.—Mr. President, shall I read the negative report? That will open the discussion.

The PRESIDENT.—That will be all right, yes.

Mr. BURROWS.—The report of that part of the committee which makes the negative report is as follows:—

WHEREAS, Various bills have been introduced into Congress looking to the establishment of a parcels carrying system in connection with our postal service; and

WHEREAS, The National Board of Trade believes that any bill of this sort would prove harmful to most business interests, large and small, all over the country, and furthermore that even a conservative bill would prove but an entering wedge to further legislation less conservative in nature and more harmful in its operation;

Resolved, That the National Board of Trade is opposed to any legislation looking to the establishment of a parcels carrying system in connection with the Post-office Department at this time.

I move the adoption of this resolution instead of the affirmative, and shall be glad to speak later to the resolution.

A DELEGATE.—How does the committee stand?

Mr. BURROWS.—The Committee stood five in favor of the negative and four in favor of the affirmative. But as the body seemed to me so nearly equally divided, as Chairman of the committee, I felt that it should not be presented in the form of a majority and minority report, that it would be fairer to present an affirmative and negative report, and ask you to discuss it upon its merits here, rather than in our committee room.

Mr. WOOD, of Philadelphia.—I rise to a parliamentary inquiry. As I understand, we now have before us two concurrent resolutions reported from the committee, and that we should treat the affirmative as the resolution under consideration and the second to be regarded as an amendment.

The PRESIDENT.—It will be treated that way. The first to be passed upon will be the proposition last read.

Mr. BURROWS.—You might treat this as a substitute resolution, not as an amendment.

The PRESIDENT.—If moved as a substitute the question is open for discussion.

Mr. FERNLEY.—I would like to ask for the reading of the report on this subject at the last convention.

The PRESIDENT.—The Secretary will read.

The Secretary read as follows:—

WHEREAS, A persistent agitation in favor of the establishment in this country of a carrying system for parcels under the direction of the Post-office Department modeled somewhat upon foreign lines is being urged in many directions; and

WHEREAS, The National Board of Trade recognizes that circumstances of this country in regard to social conditions, length of haul, density of population, lack of monopoly of carriage, improbability of the establishment of a zone system, etc., render an extensive development here of a parcels carrying system such as exists in several foreign countries, certain to entail a loss upon the Government of most serious proportions, amounting to scores of millions of dollars for equipment expenses and further involving an operating deficit of enormous proportions annually, and this whether the rate be made high or low;

Resolved, That the National Board of Trade is opposed to any legislation looking to the establishment of a parcels carrying system in connection with the Post-office Department of the country at this time.

The PRESIDENT.—Now we are ready for discussion.

Mr. HITCHCOCK, of Scranton.—The Scranton Board of Trade is opposed to this affirmative resolution and in favor of the negative that is offered as a substitute, not perhaps especially because of whatever merit there may be in a parcels post, but because it stands directly in the way of what we have been asking for twenty years—I-cent letter postage.

One trouble with our work in the past in regard to this question is this: we have not gone at the thing systematically. For example, we have done exactly what we are likely to do to-day if we pass this affirmative resolution. We ask Congress to legislate to accomplish certain things and in the next breath ask them to do something else which will make the other impossible. The result is that we go to Congress with a

divided question, a proposition that is unthinkable, if not impossible.

It strikes me that the first thing for us to do is to ask for 1-cent letter postage. That is the great question. There is no great demand for a parcels post; there is no great demand anywhere for that. A few houses are demanding it to help them in their carrying business, and there may come a time when that may possibly be accomplished. I think it may be argued here successfully that this would be an entering wedge to having the Government assume the operation of all these utilities in the future.

What would it mean for the Government to enter into the parcels post business? It would mean practically that the Government would have to have an outfit that would rival the outfits of all the express companies. It would involve the expenditure of a vast amount of money, and nobody knows what the resulting deficit would be, what the lack of profit would be, or what are all the elements to be taken into consideration on the question of long haul and short haul. All those questions, together with the question of a zone system reaching far outlying districts enter into a situation that would task us very greatly to consider intelligently.

Under a parcels post system the express companies would carry the profitable part of the business and the Government would carry the rest of it. The result of that would be that we should be saddled with an enormous deficit. True, it might accommodate a certain class of our people, but it would not reach the great majority of the people, and it would certainly stand in the way of 1-cent postage. We have in Pennsylvania an educational institution which has a plant of over \$1,000,000, and the conduct of its necessary correspondence involves an expense of over \$100,000 a year for postage. Anything that would facilitate the carrying forward of its work would be a boon, not only to that institution, but to all the people of the country. It is easily thought that the putting of the 2-cent postage stamp upon a letter is a matter of no great moment, but when you come to such an expenditure as \$50,000 or \$100,000 for postage, it is a tremendous matter.

That is only one of the great industries of the country and there are other institutions of a like character.

Let us take the stand of letting well enough alone. Let us ask for 1-cent letter postage and the rest can come afterwards.

Mr. CARTER, of Boston.—I agree with the last speaker and think this matter should be deferred. Let us first have what we know will be to the benefit of all. Let us have 1-cent letter postage, which we have advocated for so long.

Rural free delivery has now become an accomplished fact and will go on increasing from year to year, requiring larger and larger expenditures. Let us not, in addition to that, burden the country with an enormous expenditure for what is really an express business, for if we do we shall never see 1-cent letter postage.

I should advocate what you might call a compromise, if you please. Take the consolidation of third and fourth-class matter into third-class and charge 8 cents a pound instead of 16.

A DELEGATE.—I object to bringing in the consolidation of third and fourth-class matter as not being pertinent to the parcels post.

Mr. CARTER.—It is absolutely so, because I am saying that if we cannot get a full measure I should advocate that instead. That would be a small concession to the advocates of a parcels post, and yet I claim it would be of more advantage to the general business community than the parcels post. To show the advantage of that to the general community it is only necessary to refer to the facilities for some of the fourth-class matter. In order to have passed upon officially the question of just how much the postage will be on some of this fourth-class matter, you will have to send to the post-office many times.

I certainly hope that we are not ready to advise the country at this time to incur the great expense of establishing a parcels post and put off the day of 1-cent postage. I have no doubt that some of my friends who have heard me before thought that I was in favor of the parcels post because I was advocating the combination of third and fourth-class mail matter. On

the contrary, we should not have it, and certainly not if this is insisted upon. It we do have it, then we should have a zone system, for, as stated by the last speaker, if you do not have a zone system you will simply confer a boon upon the express companies, which will take all the good paying business and saddle the unprofitable part of it upon the Government, because the Government would even have to carry a barrel of flour to Oregon and Washington.

Mr. FLASH.—The gentleman spoke as though there was not such a thing as parcels post. We have a parcels post system under certain regulations. We have a parcels post that calls for 16 cents a pound against the 12 cents a pound that we have now for our foreign trade. We are asking now simply for an equalization of those rates, because it is manifestly unjust that we should pay more for domestic rates than for foreign rates. We ask an extension of the present system for rural free delivery. As regards sending barrels of flour to Oregon, we do not make any eleven-pound barrels of flour in New York. I don't know whether or not they do in Boston.

Mr. CARTER.—I am not so completely ignorant as my friend seems to think. I am willing to have a parcels post, but I am also aware of the fact that there is a limitation of weight and of the price per pound, and that limitation is a very important matter in the postal system. I think we do not want to go into the freight and express business.

Mr. ANDERSON, of Cleveland.—Mr. President and gentlemen, I believe we are all agreed upon the soundness of the proposition once stated by ex-Speaker J. Warren Keifer, that "Any degree of departure from sound basic principles is as dangerous in governmental affairs as in the exact sciences, and when the departure has gone so far as to demonstrate the error, only the foolish will continue to propagate it."

The establishment of a parcels post on the rural routes is the entering wedge for the establishment of a universal parcels post at a rate far below the cost of the service. In its operation it will benefit certain classes of merchants at the expense of the people and is one of the worst forms of class legislation.

Unfortunately none of us have exact information on this

subject, notwithstanding officials of the Post-office Department on several occasions have investigated different branches of the service for the purpose of ascertaining cost and efficiency, and in most instances the results have been questionable.

Mr. DOUGLAS, of New York.—Will Mr. ANDERSON allow me a question?

Mr. ANDERSON.—Yes, sir.

Mr. DOUGLAS, of New York.—I think the Postmaster-General has investigated this subject very thoroughly, has communicated that information to the President and to Congress and that is as available to the gentleman as any one else if he will only look it up.

Mr. ANDERSON.—I thank the gentleman for the information and will say to him if the Postmaster-General has thoroughly investigated this subject he is a remarkable man. He has been in office scarcely long enough to become familiar with ordinary routine, much less to thoroughly investigate and master one of the most intricate and complicated departments of the Government.

The Postmaster-General has made some unusual recommendations and submitted some statistical tables, but there is an absence of exact information regarding the actual cost of the service now rendered and that which he proposes.

My friend, Mr. ACKER, with whom I had the honor to be associated for ten years in connection with this subject, knows that our Post-office Department is a very unsatisfactory place to go for exact information on this subject, because your postal service is a system of "shreds and patches," and will never be on a fair and equitable business basis until thoroughly revised.

A large number of experts have been at work for nearly a year to ascertain the exact cost of handling the various classes of matter, and their report will be ready next May. This report will likely show that the business men of the country are grossly overcharged for their letter mail, while other interests are enormously subsidized. In my judgment, it would be wise to defer action of the recommendations of the Postmaster-

General until we hear from these experts and then we shall know much more about the subject.

In determining what the Post-office Department should or should not do for the people, three important factors should be considered, viz., area, density of population and cost of the service, and if it is to be conducted upon a fair and equitable basis, these factors will determine the extent of new departures and the rate to be charged therefor.

Nearly every leading advocate of a parcels post goes to the postal service of foreign countries and selects their loss-producing activities and asks the United States Government to adopt them, and I have yet to learn of a leader among them who advocates the English or German rate on periodicals which, if adopted, would enable our Government to give us 1-cent letter postage, but they are enthusiastic for a parcels post, government telegraphs and savings banks at rates which do not cover the cost of conducting the business. You select the identical activities that entail a deficit even in the countries mentioned and ask our Government to engraft them upon our postal system and make our deficit still greater.

Not only that, but you are taking a dangerous step in the direction of paternalism and socialism, and this National Board of Trade should be the last organization in the United States to approve such propositions.

Many times during the past ten years this Board has adopted resolutions relating to changes in the Post-office Department, and in every instance, and especially regarding the parcels post, it was clearly stated that the rate should at least cover the cost of the service.

I say to you, gentlemen, you cannot afford to stand for propositions which give to a few interests unusual advantages at the expense of the users of the service.

Now, briefly, what are the facts? Over in Germany they have a parcels post system carrying packages of a maximum weight of 110 pounds. A large part of her railway system is owned and operated by the government and the remainder by private capital, and the entire system under close governmental supervision. The railroads are required to transport without compensation packages weighing twenty-two pounds

and less, packages in excess of this weight the rate is in proportion to the distance carried.

Is this National Board of Trade prepared to indorse a resolution that the railway companies shall transport for the Government, without charge, the parcels post matter under eleven pounds in weight? If you are not, then why handicap the Postal Department by adopting foreign functions under vastly less favorable conditions.

A DELEGATE.—May I ask the gentleman a question?

Mr. ANDERSON.—Yes, sir.

A DELEGATE.—Is it not a fact that parcels may be left at the stations instead of being taken to the main post-office?

Mr. ANDERSON.—I understand so, also that they have a complete and costly collection system.

A. DELEGATE.—They have an express service?

Mr. ANDERSON.—No, sir; not such as we have in this country.

A DELEGATE.—Isn't there an insurance?

Mr. ANDERSON.—Yes, sir; and old age pensions, too, and many of their leading thinkers say it is paternalism gone mad.

In order to placate a rapidly growing socialistic sentiment, they have adopted policies and are considering others out of harmony with the American idea of government. [Applause.]

Great Britain has an area of 121,000 square miles, the area of the United States, not including our possessions, is nearly 3,000,000 square miles. Their longest railway mail haul is about 425 miles, ours about 3,500 miles. They have one post-office to every 5½ square miles, we have one post-office to every 50 square miles. They have a population of over 500 to the square mile, we have 25 to the square mile. The maximum pay of the London postman is \$8.50 per week, the maximum pay of a United States letter carrier is \$21 per week.

Our Postmaster-General is reported as saying, and I have not seen it denied, that the introduction of the rural parcels post is the entering wedge for the establishment of a universal

parcels post in this country at practically the same rate and weight as now obtains in England.

In view of these conditions, is it not probable that such an experiment would involve an enormous deficit?

Every man knows that the handling of mail matter is for the most part a question of labor cost, depending largely upon the dexterity and endurance of the clerks and carriers. It must be conceded that the English postal employee is as proficient as ours, and if so, how is it possible to provide this service at the same rate as in England without an enormous loss to the American people, with England one twenty-fifth of our area and obtaining the services two and one-half employees for the amount we pay one?

The present efficiency of the postal service is largely due to the railway mail service and the increased speed of railway trains, and not to the greater endurance of our postal employees as compared with those of other countries.

Bear in mind, gentlemen, only ten years ago Congress appropriated a few thousand dollars for experimental rural free delivery, and since that time it has ceased to be an experiment, and is to-day the most costly branch of the service, except the transportation of mail by rail and water. Rural free delivery now costs more than the compensation to all the postmasters in the United States; it costs more than the compensations to the Assistant Postmaster and clerks in all our post-offices; it costs more than the entire letter carrier service of the United States, and nearly twice as much as the salaries of railway mail clerks.

Requests for the extension of rural free delivery have been granted until now the net loss approximates \$30,000,000 annually.

So the Postmaster-General proposes to experiment with parcels post on rural routes, and if he is correctly quoted it is to serve as the entering wedge for the establishment of a universal parcels post for the carriage of parcels up to eleven pounds in weight for 25 cents. Some pretend to believe if this can be done in England and Germany and other continental countries it can be done here. For some unaccountable reason the advocates of a parcels post delight to favor

the adoption of some feature of a foreign postal service which will involve a loss to the Government, and none of them are anxious that our Government shall adopt the foreign rates on second-class matter. The United States is the only government in the world which carries two-thirds of its entire mail tonnage at a loss of \$29,000,000 millions annually. In view of the fact that the principal element of cost in postal work is labor cost, and parcels post countries secure the service of their employees at one-third to one-fourth of our cost, and the additional fact that the area of the United States is twenty-five times greater than England and fifteen times greater than Germany, and these are the countries we hear the most about, is it not preposterous to talk about a foreign parcels post rate being profitable here?

In my opinion, this National Board of Trade would make a serious mistake by adopting the affirmative report. What should we do?

For several years various estimates have been made regarding the cost of the services rendered by our Post-office Department. About one year ago a number of experts were employed by the Government for the sole purpose of ascertaining the actual cost of the service in connection with the four classes of mail matter.

The PRESIDENT.—Mr. ANDERSON, your time has expired.

By unanimous consent, Mr. ANDERSON was given ten minutes' additional time.

The PRESIDENT.—Mr. ANDERSON, by consent of the convention, your time has been extended ten minutes, you may proceed.

Mr. ANDERSON.—Mr. President, I thank you for the courtesy.

Gentlemen, I was about to say that these experts have been employed upon this work for nearly a year, and about May 1st a report will be submitted to Congress which will likely give us precise and exact information regarding the cost of handling and transporting the four classes of matter.

I assume, of course, that we all favor rates which approximately cover the cost of the service and so taxed that the letter-

writers of the country shall not pay excessive rates that a few special interests may be subsidized.

Let us reject this affirmative report and a year hence we shall have reliable information which will enable us to reach a wise conclusion.

Let me give you the opinion of the leading postal authority in Great Britain, Hon. J. Henniker Heaton, who in a magazine article on parcels post in the United States said:—

“The German parcels post has many merits. In the first place it adopts the ‘zone’ system to the conveyance of goods. It is manifestly unfair that it should cost as much to send a parcel 50 as to send it 1,000 miles. A uniform charge is fair in the case of letters, which are of inappreciable weight and occupy little space.

“But parcels are comparatively heavy and bulky and the post is largely employed by advertising traders. It is but just that a manufacturer sending his goods 1,000 miles to compete with local dealers should defray at least part of the expense of transit incurred by the post-office.

“As the railway mileage of the United States exceeds that of all Europe, it is plain that an American parcels post should be based on the ‘zone’ system. In this way the danger which I understand is apprehended to small local industries would be done away with.”

One would think it embarrassing to our American parcels post enthusiasts that this eminent foreign expert should see the unfairness of carrying a parcel 1,000 miles as cheaply as 50 miles, and furthermore, as he says, it is plain that an American parcels post should be based on the “zone” system, because the railway mileage of the United States exceeds that of all Europe.

Compare this logic with that of the so-called postal expert representing the Postal Progress League, who maintains that the railways can transport freight and passengers 1,000 miles as cheaply as 10 miles or 1,000 miles, and therefore a fixed charge should be made for freight and passengers regardless of distance.

Certainly, we should give consideration to the opinion expressed by Mr. Heaton, a believer in a parcels post for his own

country of small area and dense population, who, viewing the requirements of this country says unequivocally that it would not be to our advantage to establish a parcels post without the "zone" system.

In Germany they have six zones, ranging from 46 miles up to 702 miles, and the postage rate increases with the weight of the package and the distance carried. The rate for a 22-pound package for 46 miles is nearly 12 cents, and over 702 miles is 71 cents.

Besides this, in places where there is delivery to the house, an extra fee of $3\frac{1}{2}$ cents is charged for packages weighing up to 11 pounds. Our over-zealous parcels post advocates contend that our Government can afford to carry and deliver 11-pound packages anywhere within our area of 3,000,000 square miles for 25 cents, even to our island possessions, 8,000 miles away, and in some way or other make it pay.

Remember, rural free delivery was instituted in 1897 with an experimental appropriation of \$10,000, which included salaries for 44 carriers. For the year 1908 the estimate is approximately \$35,000,000, employing 39,000 carriers, from which the Government receives about \$1 in revenue for each \$5 expended.

Before favoring this proposition at the behest of a few zealous advocates and certain special interests, would it not be well to pay some heed to the opinions of experienced officials of the Post-office Department?

Third Assistant Postmaster-General Madden, a careful and painstaking official, said:—

"It is physically impossible for carriers to handle any more mail than they do to-day. We cannot burden them any more than they are burdened now.

"Therefore, if we go into the parcels post business we must organize practically a new service of carriers, with additional offices, wagons and horses for collection and delivery. This will mean a revolution in the service and the expenditure of an enormous amount of money, which will not be repaid by postage collected so long as the rates are uniform without regard to distance.

"If the zone system of rates is adopted the administration of the service would be very much complicated."

Postmaster-General Cortelyou in his last report says:—

“The Department exists to serve not a particular industry, but all industries; not a portion of the people, but all of the people, and rates of postage for second-class mail should be established on that basis, with no rate that is relatively a discrimination against or out of proportion to any other rate, nor should any subdivision of a class bear a disproportionate share of the rate fixed for its class.

“Furthermore, while the Department’s chief purpose should be an ever-increasing efficiency, its receipts and expenditures must be considered in their relation to cost and to the general financial condition of the Government, and its rates for service must be fixed with regard to that relation.”

The present rate on merchandise of 1 cent for each ounce barely pays expenses, because the express companies secure the profitable short haul business at a lower rate, and leave to the Government the long haul business, which is unprofitable.

Nevertheless, the Postmaster-General strongly urges Congress to reduce the rate on merchandise 25 per cent., which would benefit a relatively small proportion of our people, but would be of great benefit to certain special interests. What a pity that he could not see his way clear to recommend a reduction in letter postage from 2 cents to 1 cent per ounce, which would be of inestimable benefit to the millions of letter-writers of the United States. Furthermore, I believe the records of his office will show that a letter rate of 1 cent for each ounce will pay the Government a greater net profit than is now enjoyed by the most grasping monopoly or trust in the land.

Gentlemen, I have already occupied too much of your time, and I thank you for your attention.

Mr. GODLEY, of Philadelphia.—I want to call attention, Mr. President, to the fact that the Secretary read the record of the Board as adopted last year, and you say that the times and conditions have not so changed, probably, as to induce this National Board of Trade to change its opinion. I therefore call for the question on the substitute resolution, which practically reaffirms the former position of this Board. We could talk on this question all the rest of this week.

The President being called from the Chair, asked the First Vice-President, Mr. AMBROSE SWASEY, to preside.

Mr. BURPEE.—Whatever our individual opinions may be, Mr. President, we all agree, I think, with what Mr. ANDERSON has so ably said. But Mr. ANDERSON has unintentionally confused the subject that we are considering relative to the parcels post. So far as I understand the affirmative and negative reports on this subject, there has been no affirmative report in favor of establishing such a parcels post as is in common usage in Europe. The affirmative report merely desires to put the National Board of Trade on record as seconding recommendation of the Postmaster-General of the United States, and his recommendation is not that we should establish a system similar to the European system, that we should not attempt to carry large packages at a low rate, but that we should raise the limit of the weight of the package that we now have from four pounds to eleven pounds, and that we should charge for sending, say, from Washington to San Francisco, 12 cents a pound, just as the same that we charge for sending from New York to China, Japan, England or Germany. Why should we charge 16 cents a pound from Philadelphia to San Francisco and only 12 cents a pound for sending across the Pacific, when the express companies will carry a parcel, not limited to eleven pounds, but up to 50 or 100, if it is prepaid, for 8 cents a pound?

Much has been said by the opponents about the United States Government getting no short haul, and some of the express companies voluntarily making a rate of 8 cents a pound across the continent, but that rate would not be adopted by the express companies if it were not profitable. The Postmaster-General only asks that we have the same facilities between ourselves as we have by our parcels treaties with twenty-two foreign countries. I think we should be unprogressive if we should refuse to indorse that proposition of the Postmaster-General.

Mr. ANDERSON.—I rise to a question of privilege. The gentleman in his answer to Mr. BURPEE thought I had misrepresented the attitude of the Postmaster-General. I wish to say that I got my information as to his attitude from the

Associated Press report of an address he delivered in Chicago, in which, in answer to a question, the Postmaster-General said that the introduction of the parcels post on rural routes was only the entering wedge for the introduction of a general parcels post system throughout the United States. So that Mr. Meyer has gone on public record on that matter and my remarks were directed to its application to the entire system, which I have never heard questioned, and I believe that that was the intention.

Mr. FERNLEY.—I simply want to add that in making a careful inquiry throughout the entire country, I have found that there is no class of citizens clamoring for this parcels post. Every investigation has run right down to the mail-order houses of the country. A few years ago they caused an order to be issued by the Post-office Department of the Government for the publication of a list of the recipients of mail on rural routes, in order that those mail-order houses might copy those lists and send their catalogues, but, fortunately, before they succeeded in getting the lists all copied the order was rescinded, and a year ago they had an order issued by the Fourth Assistant Postmaster-General requiring that every recipient of mail on a rural route should have a number, and that mail addressed to a rural recipient of mail by number, not by name, should be delivered. We succeeded, however, in having that effort on the part of the mail-order houses scotched.

At our last convention here, one of the delegates, Mr. Muzzy, of the J. E. Stevens Iron and Tool Company, Chicapee Falls, Mass., stated that he shipped yearly six carloads of rifles to the Pacific coast, the freight on which was \$3 per 100, and that if a parcels post were established he would avail himself of that and ship those six carloads in boxes (each rifle weighing less than eleven pounds), one rifle to each box, at the rate of $2\frac{1}{4}$ cents a pound. You can imagine what a postal train would look like loaded under such conditions, and you can imagine the immense depots the Government would have to establish in all cities to accommodate such a business as that! I think it would even have to establish one of them in New York.

I hold in my hand, but will not read all of it, a list of over 250 names of groups of citizens in cities all over the country, some of these groups numbering 10,000, some of them of 15,000, and each group protests against the passage of any character of a parcels post, even of the character which means the consolidation of third and fourth-class matter. Let me give you just a few of those names:—

National Retail Hardware Association, of Argos, Ind.; Retail Merchants' Association, of Winchester, Ind.; Retail Druggists' Association, of Macoupin County, Ill. (I think they have 30,000 in their ranks); Board of Trade, Corning, N. Y.; Wholesale Merchants' Association, Portland, Me.; City Salesmen's Association, of St. Paul, Minn.; Commercial Club, of Omaha, Neb.; Merchants and Manufacturers' Association, of Redlands, Cal.; Commercial Club, of Hutchinson, Kan.; Chamber of Commerce, Spokane, Wash.; Commercial Club, Fremont, Neb.; Board of Trade, Erie, Pa.; Board of Directors of Colorado Manufacturers' Association; Merchants Exchange, of Olean, N. Y.; Retail Druggists' Association, of Greene County, Mo.; Ozark Council, No. 58, United Commercial Travelers of America, of Springfield, Mo.; Local Council, No. 153, United Commercial Travelers of America, of Fremont, Neb.; Commercial Club, of Marion, Ind.; Commercial Exchange, of Fort Wayne, Ind.; Post K, Travelers' Protective Association, South Bend, Ind.; Merchants' Association, of Red Wing, Minn.; 25,000 Commercial Club, of Crookston, Minn.; Business Men's Association, Wellsville, N. Y.; Grocers' Association, Spokane, Wash.; Commercial Exchange, of Harlan, Iowa.; Chamber of Commerce, De Buque, Col.; Commercial Club, of Gray County, Kan.; Board of Trade, Big Rapids, Mich.; Retail Harnessmakers, St. Louis and East St. Louis, Mo.; Chamber of Commerce, San Francisco, Cal.; Retail Hardware Association, State of California; Retail Merchants' Association, Ottawa, Ill.; Business Men's Association, of Depue, Ill.; Pacific Coast Hardware and Metal Association; Commercial Club, Plainview, Minn.; Washington State Grocers' Association, Seattle, Wash.; Everett Grocers' Association, of Everett, Wash.; Retail Merchants, of Winger, Minn.; Fort Wayne Commercial Exchange, Fort Wayne, Ind.; Merchants'

Protective Association, of Montpelier, Ind.; Commercial Club, of Westhope, North Dakota; Business Men of North Branch, Minn.; Retail Merchants' Association, of St. Joseph, Mo.; Retail Grocers, Butchers and Bankers' Association, of St. Joseph, Mo.; Manufacturers' and Merchants' Association, of Utah; Michigan Retail Implement and Vehicle Dealers; Business Men's Association, of Battle Creek, Mich.; Commercial Club, Ellinwood, Kan.; Retail Dealers of Springfield, Vt.; Lebanon County (Pa.) Retail Druggists' Association; Chicago Grocers' and Butchers' Association.

Those are the names of groups of citizens who have sent protests to Congress against establishing a parcels post, and who come now to this National Board of Trade and ask you to protect them against the injury that they would sustain by the establishment of a parcels post.

Dr. WILSON, of Philadelphia.—Of course, Mr. President, this is an entering wedge, but I cannot see a single argument against the parcels post that could not be made, and has not been made, against every advance that has been proposed in mail carrying for the last thirty years. I think that if the National Board of Trade puts itself on record against the well-studied plan and recommendations of the Postmaster-General, who is trying to work for the good of the whole country, it will simply stultify itself. I believe that any one of us can go to work and get 100 organizations and 10,000 names against the parcels post, if he will only work it in the right way.

Mr. FERNLEY and I are warm friends, and I believe that his argument is just as solid as the one he made on sulphur, which is simply this: the mail-order houses could ship sulphur at 8 cents a pound, but how under the sun are you going to get it anywhere if you pay 16 cents a pound? His argument was that they could send it, because they were advertising it, at 8 cents, but if the postage were reduced to 8 cents it would still cost 16 cents to send it. That argument is as valuable as the other arguments.

Mr. ANDERSON.—May I ask the gentleman a question? I would like to ask Dr. WILSON if he does not know that it is a

fact that ever since the United States Government commenced to carry letters for individuals they have been carried at a profit?

Dr. WILSON.—I think that has been the attempt. We have had some deficits for carrying letters.

Mr. ANDERSON.—Now will not the Doctor admit that the legislation relating to second, third and fourth-class matter was not based on the cost of the service rendered? Is not that the fact?

Dr. WILSON.—As a matter of fact, it was based through and through upon the benefit to the people.

Mr. ANDERSON.—I hope the gentleman will not get away from the point. It is the fact that the governing motive in fixing the letter rate was that it should cover the cost of service, and that as facilities improved it gave us an enormous profit, and the rate has been lowered from time to time.

The PRESIDENT.—The question has been answered.

Dr. WILSON.—There is a great deal of this whole discussion that to my mind is perfectly absurd. Now I will bring up another point made by the gentleman. In speaking of letter carrying in England and Germany, if you add to the cheap rates for carrying there the fact that the Government pays a pension to every man engaged, after long service, then you are taking the rest of it into account.

Mr. ACKER.—Mr. President, I have spoken so often on this subject that I hesitate very much about speaking now. But I feel that there are some facts in connection with the proposition that ought to be clearly understood.

I think I can indorse as heartily as any one here all that has been said in opposition to introducing a parcels post system which would involve a loss to the Government. I can say this: that from the time a Postal Committee was first organized in this body, and from the very first resolution that was ever brought in connection with the parcels post, it was always accompanied with the proviso that it should be operated without loss to the Government.

More than that: Several years ago several parcels post bills were introduced in Congress, modeled along the lines of foreign parcels post systems, allowing large packages to be sent and fixing a low rate of charge. And in the report of the committee, which you will find in the annals of the National Board of Trade, you will find that the committee specifically called attention to the iniquitous features of these bills, and again recommended, as it had done before, the recommendation of the adoption of a parcels post system adapted to the needs of the country, provided it could be operated without loss to the Government. And I will say that there is not a gentleman favorable to this negative report who will talk upon those lines without having my absolute sanction. But the somewhat humorous features of the matter—I say humorous because I think you will appreciate the humor of it—is that this resolution, which represents the affirmative report of the committee, does not recommend anything which is going to involve any loss to the Government, but which in all probability is going to increase the revenues of the Government. Let me read you the resolution, it is only a few lines:—

Resolved, That the National Board of Trade recommends to Congress the extension and improvement of the parcels post system upon the lines set forth and recommended by Postmaster-General Meyer in his annual report for the year ending June 30, 1907.

Now, what are those recommendations? They are two in number. The first and most important recommendation is that the system of parcels post shall be introduced upon the free rural delivery routes upon this basis: Charging 5 cents a pound for the first pound, and 2 cents a pound for each additional pound, making a total cost of 25 cents for an eleven-pound package, merely on the rural delivery routes. The package would have to start on such a route free from all railroad transportation charges and other charges and would have to be delivered on a free delivery route. This proposition, I am satisfied, originated with the Postmaster-General, because of his interest in the country merchants and because he desired to give to the country merchants part of those facilities which he helped to build up for the benefit of the great merchants of the large cities.

The actual operation of this matter to-day is this: The carrier of a free delivery route is paid a certain very small salary. Those carriers should really receive more, but the rural free delivery service at the present time imposes a large tax upon the resources of the Department. As a matter of fact, the carriers as they go over their routes in many cases carry only about a quarter of a wagonload of mail matter. If this proposition of Postmaster-General Meyer were enacted into a law at this time, it would mean that these same carriers, without any additional expense to the Government, would carry packages from the country merchant to his customers and would carry packages from one part of his route to another, resulting at the end of the year in a large amount of revenue coming to the Post-office Department without the expenditure, I was going to say, of a single dollar in order to get it. That is what the rural part of the parcels post proposition means as recommended by Postmaster-General Meyer. If the country merchants—and I am free to say that I am a little tired of recommending benefits to people if they do not appreciate them—if the country merchants are so blind to their own interests that they do not want this, I am free to say that I would not feel like going out of my way in order to force it upon them. Yet I am satisfied that if this feature were introduced, at the end of a year or at the end of two years, the country merchants as a body would be thankful to the Postmaster-General for his efforts.

Now, as to the second point. At the present time, as Mr. BURPEE has stated, if I wish to send a package from Philadelphia to New York, it would cost 16 cents a pound; if I wish to send that from Philadelphia through New York to France or Germany, I can have it sent for 12 cents a pound. I call that idiotic. That is a strong word, but is it not idiotic that a merchant is obliged to pay in this country 16 cents a pound for the transmission of merchandise five miles or ten miles or a hundred miles, and yet can have that same package sent thousands of miles at a cost of 12 cents a pound?

I feel satisfied that it has been some time since we have had a Postmaster-General who has interested himself sufficiently in the commercial conditions of the country to meet the tangible

objections which are urged against reform and to modify them in such a way as to benefit the very people who on this floor a year ago were so staunchly supported by the gentlemen on the other side, and it seems to me it would be very unfortunate for the National Board of Trade to discourage an effort of that kind. That is my whole contention. [Applause.]

Mr. CARTER, of Boston.—Mr. President, I do not rise to speak for myself, but I understand that Mr. GEORGE H. MAXWELL, who is present, has given special study to this question from the Governmental standpoint. This morning when he rose to speak to another subject the Chair will remember that by the rules Mr. MAXWELL, not being a regular delegate from a constituent body, but only an associate member of this organization, the Chair was obliged to rule that Mr. MAXWELL could not speak on the floor. But I desire to say now that Mr. MAXWELL has been an associate member for a number of years, has paid his dues year after year, and that, as I understand it, unanimous consent only is required to allow him to speak. He tells me that he can say all he wants to say in five minutes. He has given particular attention to this matter and it seems to me it will be not only a courtesy to him, but a pleasure to us to hear him, and I move that he be allowed five minutes.

The PRESIDENT.—Mr. MAXWELL is a very well read man in regard to postal matters.

The motion was agreed to.

The PRESIDENT.—The Chair takes much pleasure in introducing Mr. MAXWELL.

Mr. MAXWELL.—I want to say, Mr. President, that I have not made a general study of postal affairs. I first became somewhat familiar with them when serving on a committee some years ago with Mr. ACKER, and I remember that we were in entire accord at that time.

I have always stood on the ground that each Department of the Postal Service should pay for itself, and I wish to say a word in regard to Mr. ACKER's proposition, because I had occasion within the last month, since Postmaster-General

Meyer's speech in Chicago, to prepare an article for my own paper, which will be published within a few days. I am convinced that the basis of Mr. Meyer's conclusions is entirely unsound. His estimate that the parcels post could be operated at a comparatively small profit is based upon figures for second-class matter.

Divide the United States into three parts. North of the Potomac and east of the western line of Kansas and Nebraska contains about 50,000,000 people; south of that line and east of the same line contains about 20,000,000; west of that line, which is about half the width of the United States, contains 10,000,000. So that we have 50,000,000 people in about one-fourth of our territorial area.

The idea commonly entertained is that the cost and possible profit of the parcels post operation would be proportionate to the density of population. That is true as to second-class mail matter. But if you will study the matter more carefully, in view of the way it is certain to operate, you will find that it will work out right the other way when applied to the parcels post, because the Government will be called upon to carry parcels to the remote points on the stage lines, to mining camps and to lumber camps that have not the advantage of railroad facilities and where express charges are high. The result will be that the rule which might be expected to apply to second-class matter will be absolutely reversed, and the expensive and long distance transportation of parcels will fall on the Government and the cheap transportation over the short haul will fall on the express companies; and that, in turn, will inevitably result in an enormous deficit. It cannot be otherwise, gentlemen, and for that reason it seems to me that what our good friend, Dr. WILSON, has said on the question of letter postage has no application. In other words, there can be no doubt that when you come to apply the parcels post system to the whole United States, with its absolute existing physical conditions, you cannot make the service pay its cost unless you have either a charge regulated by distance, similar to express charges, or a zone system similar to the German system, which, is after all, a system regulated by distance. But any effort to force the Government to carry parcels on a

flat rate, without regard to distance, as in letter postage, will surely result in a deficit. That deficit will be larger than you have any present conception of.

There is another element of immense importance, and that is the enormous rapidity with which the remote regions of the West are developing. The great demand for the parcels post comes from large commercial institutions and manufacturing establishments in the northeast quarter of the United States, where the 50,000,000 people are, who desire, primarily, to reach through the mail trade, the remote sections of the country and participate in the wonderful developments going on there, accompanied by an almost incomprehensible increase of population, as, for instance, in Texas and Oklahoma. I believe that in ten years from to-day the population of the western half of the United States will have trebled and quadrupled, and the question to be considered is whether we shall take action here that may tend to hinder or whether our actions shall tend to favor a sound system of development.

I thank you, gentlemen.

A DELEGATE.—Why not give the people of the great West the advantage of the parcels post that they can get in no other way?

Mr. MAXWELL.—Because the people of the West are not asking for it. What they want is a greater development of local business—local merchants and local trade.

Mr. BURROWS, of Cleveland.—I have spoken in previous years several times on this question, but I want to speak again.

First, Mr. ACKER asked if the situation to which attention was called by the Postmaster-General was not idiotic—the carrying of parcels from one town to New York for 16 cents a pound and carrying the same kind of parcels through New York to a foreign country at 12 cents a pound. To this it seems to me there is an easy answer.

In the first place, if you have company on Sunday and give them a turkey dinner, are you going to eat turkey every day in the year? The answer is simply this: That the extent of the business is something that makes it a matter of no moment whatever to the Government what the charges are if the Gov-

ernment conducts that business of interchange of postal service at a loss. Last year we carried 104,800,000 parcels, only 2,575,000 of which went to countries abroad, and of those that did go abroad, 61,000 parcels only, out of 104,800,000, came to the United States, and we sent back less than 100,000 pounds. That is the situation on the 16-cent and 12-cent rates. Rather than be discourteous to foreign countries we permit that situation. It is not a matter of any importance one way or the other in connection with this question, but that is the answer, it seems to me, upon the economics of that question.

On the other side there is the question of rural free delivery. Is the merchant of the country store going to be benefited or not? Over 3,000,000 catalogues are sent out, I understand, by Sears, Roebuck & Co., of Chicago. There are less than 15,000 post-offices in the United States from which rural free delivery routes start. I understand that organization last year did a business of \$53,000,000. They would find it a very easy matter to so arrange with an agent in a town like Akron, Ohio, from which five routes start, for the agent to receive by freight 50, 500 or 1,000 catalogues for distribution over those rural delivery routes. Those catalogues have 1,500 pages and are quite heavy. Sears, Roebuck & Co. could so arrange that their agent should, for merely a nominal fee, turn those catalogues over to the rural free delivery carriers, and it is estimated if this recommendation of the Postmaster-General goes through, that that catalogue house would save over \$500,000 per annum in the distribution of its catalogues in that way.

I have given you two sample bricks. I have plenty more, but I will not take up time.

Mr. WALDO SMITH, of New York.—Mr. President, I have heard it said that the five great obstacles to the establishment of a parcels post were the five great express companies. Chancellor Day, in his book, "The Raid Prosperity," said that when the Erie Canal was first opened somebody established a passenger line from Buffalo to New York with a canal boat and two mules that made about thirty-six miles a day, taking about twelve to fourteen days to go from Buffalo to New York.

Somebody, with a little more enterprise, a little more push and larger capital, put on a boat with six mules, running night and day, and making seventy-two miles a day. Thereupon the man with two mules felt that his business was being utterly destroyed and made application to the State Legislature to pass a law to prevent any one from putting on six mules, and confining the service to twelve hours a day. [Laughter.]

I say anything that prevents the cheapening and distribution of goods is an enemy of human progress. I say the man to look out for is the purchaser, the great consuming public; and if the great consuming public of 80,000,000 can get their products a little cheaper through Government distribution, then it does not make any difference whom it hurts. I have been hurt twice by these things and practically driven out of business twice, but who cared for me? I do not care for those who are driven out of business.

We have in the village on Long Island where I live a little place where a woman keeps a thread and needle store, which is a great convenience. She gets along very comfortably. But suppose that John Wanamaker should go there and establish a branch store, with a greater variety of goods at cheaper prices; who would care for Mrs. Richmond? They would all go to the Wanamaker store.

Anybody who can lessen the cost of the distribution of goods is a friend of human progress. But if you cannot do it without too much expense, I would not say it is a good thing. From all I have heard to-day, the Government can do something in this line and help along the great cause of cheapening the distribution of goods. [Applause.]

Mr. NEWCOMB, of Washington.—We are always glad to hear from our good friend, Mr. SMITH, but I would like to submit for his consideration the inquiry whether the gentlemen who are asking the Government of the United States to pay transportation charges for goods which they put into the mail at a loss are not doing the same thing as the man who wanted to have all six-mule teams driven from the canal. They are asking for the establishment of a parcels post, knowing from the experience of the Post-office Department, knowing from

the study of the parcels post system as conducted in Europe, that it must entail a vast loss on the taxpayers of the United States. That is the problem reduced to its lowest terms, for it is utterly impossible, as any one can see who will read the reports of the Post-office Department and its figures, that this business could be conducted at a profit.

We know to-day that in regard to second-class matter the Government has had forced upon it that part of the business which is unprofitable; that the part of the business which is profitable, the carriage of magazines in large quantities, the carriage of second-class matter that can be made to yield a profit, is handled somewhere else. But when that profit stops, when it is impossible for the private carrier to make a profit, that is left to the Government. Take the parcels post anywhere, I care not where, and wherever it is established there will be a certain business that can be conducted at a profit, and that business will be conducted by the private carrier; but when those engaged in that business find that they can no longer make a profit they will make no rates whatever, or make nominal rates merely, and leave the Government to carry the unprofitable part of the business, and the taxpayers will be saddled with the loss.

I am one of the old-fashioned people who believe that it is utterly unjust that anywhere the Government should impose a tax for the purpose of taking money from one class and putting it into the pockets of another class. But if there is any case whatever where it could be presumed to be justifiable at any time to tax any one for the support of some other one's business, it is not in this class of cases where we find that the effect is to increase the profits of the business already highly concentrated.

Now, before we greatly extend the business of the Post-office Department, it seems to me that we ought to inquire how efficiently the business of that Department is conducted to-day. The able gentleman who has come to the head of that Department recently and looked carefully over the situation has submitted a report to Congress, and I am going to read to you two sentences from that report which express his view of the matter in which that business has been conducted. The

Postmaster-General in his report on the 30th of November last, said:—

The particular and striking needs in this immense business institution of the Government are up-to-date business methods, a revised system of bookkeeping, permitting the taking of a trial balance, and a permanent official, corresponding to the superintendence of a mill or the agent of a great consolidated manufacturing corporation, who would hold office continuously through various administrations.

Again, he said:—

The methods at the present time are lacking in economy and directness. It is difficult to conduct the Post-office Department on the up-to-date methods of a great corporation, because of statutory limitations—wise, very likely, when enacted, but which now will have to be removed before desired reforms could be put into operation.

One of the oldest departments of the Government, the greatest business institution of the country under a single management conducted in such a way that a hundred years after it was established you cannot take a trial balance! Its greatest need is up-to-date methods! It lacks a directing head, such as any great manufacturing corporation would want! Yet this is the indictment brought against this system by the official head of that institution, the man of all men who would be supposed to be best acquainted with and desire the improvement of its method of operation.

This subject is complicated in the discussion by a suggestion, perhaps not covered in the affirmative report submitted, that a very low rate should be made on rural free delivery routes. I want to say a word in regard to the 25-cent rate for an eleven-pound parcel on a free rural delivery route, and that is, if that is a good thing it ought to be done independently of anything else; it ought not to be given as a bribe for the rural merchant to send something that is going to greatly damage his business. While there may be some other justification for this proposal, it ought not to be used as a bribe to purchase his use of the free delivery. I am a farmer, as some of you know. My home is nine miles from the city of Washington. If I should mail a letter to-day in Washington to be sent to my home, and mail another letter at the same time to the city of Chicago, the one mailed to Chicago

would be delivered in the business office of my correspondent there before the other letter would be delivered at my home nine miles from this city. As one farmer dependent upon the efficiency of mail carriage, I do not want to see the eleven-pound parcels carried over that route at 25 cents. It would swamp the business of that route, just as this whole proposal would swamp the postal business of the whole country, so great by comparison with that of other countries. My local dealer will supply me with anything I want, whether he has it in stock at the time I want it or whether I have to make a special request that he get it for me. The needs of the country are not in that direction.

The rural free delivery service as it exists has been a great benefit, but we do not need, and we ought not to have, this particular extension, which would be a special benefit for a particular class. But my great objection is that it is a bribe to purchase somebody's consent to something which ought not to be done.

It is only a year, gentlemen, since we had a long debate here, one of the best debates I have ever listened to in this organization since I have been a delegate. As the result of that debate we passed a resolution condemning this whole proposition. The report in favor of the parcels post at that time was to my mind much more conservative and carefully formulated than this, especially on the subject of cost. The only change in the situation as it is, is that a Postmaster-General has come in, who, as the resolution indicates, felt an admiration for things abroad, and not yet realizing in the brief tenure of his office the vast differences that exist between the conditions of our country and those of foreign countries, has recommended a system to adopt which it does not seem to me that this organization should be swept off its feet quite so easily, and I ask you to sustain the action of a year ago.

Mr. REYNOLDS, of Scranton.—Mr. President, I think much of this discussion has proceeded upon a misapprehension. Perhaps I am wrong in that. The broad question of the advisability of the establishment of a parcels post seems to have been discussed here, whereas the single question that is prop-

erly before the Board is set forth in the latter portion of the resolution. Unfortunately, the recitals in the preamble raise the whole general question.

If the question is first on the advisability of the establishment of a parcels post confined, as it is by Postmaster-General Meyer, to that parcels post which originates upon and is delivered upon the same route, it is quite another proposition than that of a general parcels post system. The rural free delivery system is now being conducted at a loss. The same carriers can take these parcels originating upon their respective routes and deliver them upon those routes without materially increasing the fixed charges to the Government, and thereby greatly increasing the benefits to those living on those routes, and at the same time furnishing to the people of the rural districts prompt delivery of small parcels from the rural merchants to their customers located on those routes. It seems to me that in that aspect this proposition is extremely meritorious, and therefore I move that the latter part of the resolution offered by Mr. ACKER be adopted by this body.

The PRESIDING OFFICER.—The Chair will state that the negative report is now under consideration. The affirmative report was first presented and then the negative, which takes the form of an amendment. That is the question now before us.

Mr. REYNOLDS.—I move to substitute the last portion of the report to strike out all thereof down to the word "Resolved" in the fourth line from the bottom.

The PRESIDING OFFICER.—Please read it as it would stand if so amended.

Mr. REYNOLDS.—It would then read:—

Resolved That the National Board of Trade recommends to Congress the extension and improvement of the parcels post system upon the lines set forth and recommended by Postmaster-General Meyer in his annual report for the year ending June 30, 1907.

I think every one will understand that.

The PRESIDING OFFICER.—This is part of the affirmative report.

Mr. REYNOLDS.—Yes, and I move to substitute that portion of the affirmative report which I have just read.

In order that I may be thoroughly understood, I would like to say that while I am generally opposed to the establishment of a parcels post, for the reasons urged by my colleague, I am in favor of, and I think it is good business in principle to promote, the establishment of a parcels post upon rural free delivery routes, for, as a matter of fact, the same carrier with the same horse and wagon can deliver these articles without increasing the charge to the Government; and, indeed, that proposition, if adopted, might transform what is now a deficit into an actual profit, and help to bring about penny postage, which we all so much desire. [Applause.]

The PRESIDING OFFICER.—Before that is discussed, the Chair would be glad to have the gentleman restate his motion in regard to the proposed substitution.

Mr. REYNOLDS.—For the negative report I move to substitute this portion of the affirmative, which I now read, by striking out all that appears prior to the word "Resolved."

The PRESIDING OFFICER.—You mean to incorporate the portion you are now about to read in the negative report?

Mr. REYNOLDS.—For everything now before the house I move to substitute the following:—

Resolved, That the National Board of Trade recommends to Congress the extension and improvement of the parcels post system upon the lines set forth and recommended by Postmaster-General Meyer in his annual report for the year ending June 30, 1907.

The PRESIDING OFFICER.—You propose to substitute that for the negative report now before the Board?

Mr. ESTES, of Nashville.—Can you substitute a substitute for a substitute? ("No!" "No!" "No!") Is not that what is proposed?

The PRESIDING OFFICER.—The Chair will state that in his opinion the negative report is really an amendment. It is being dealt with now as an amendment to the affirmative report.

Mr. ESTES.—I understood the ruling of the Chair was that the negative report was a substitute.

The PRESIDING OFFICER.—That is so.

Mr. ESTES.—The pending amendment is a substitute.

The PRESIDING OFFICER.—That is an amendment.

Mr. ESTES.—But a motion to adopt a substitute for it cannot be entertained.

The PRESIDING OFFICER.—The Chair thinks the point is well taken.

Mr. BACON, of Syracuse.—As pertinent as to what seems to be the general question, I wish to say that, so far as rural free delivery is concerned in our section, the buggies the carriers use are now filled with the matter they have to carry, and consequently they will have to have larger wagons to carry these packages if the suggestion of the gentleman is adopted.

Mr. FERNLEY.—I wish to call attention to one thing: that rural free delivery, which has prevented the establishment of 1-cent letter postage, was introduced by an expenditure of only \$15,000 as an experiment. I have the official figures here. Forty thousand dollars was the first appropriation for rural free delivery. Instead of the expenditure now being less than \$40,000, we have a deficit of about \$27,000,000 for rural free delivery; and this proposition for the establishment of a parcels post within the confines of each rural free delivery route is simply, as has been stated by the Postmaster-General, an entering wedge, for when Congress authorizes such a scheme it will be up to the Post-office Department to extend it indefinitely.

Again, I asked a question which Mr. ACKER did not desire to answer, for reasons which were very apparent. I asked him for the name of a single retail merchant who asked for this one thing of delivering parcels within his route. I did not know one and Mr. ACKER cannot give you the name of a single retail merchant who is asking for the privilege of having his packages delivered by the Government.

Mr. ACKER.—Do you want me to answer that question?

Mr. FERNLEY.—I certainly would not have asked it if I did not desire an answer.

Mr. ACKER.—I have neither heard a single country merchant speak in favor of this system, nor a single country merchant speak against it, because I do not happen to come in contact with country merchants. I argue, as I always have on questions of that kind before the National Board of Trade, not from the standpoint of any particular class of trade, but upon broad general lines which would reflect credit upon this organization. [Applause.]

Mr. ANDERSON.—Mr. President, I rise to a point of order.

The PRESIDING OFFICER.—The gentleman will state his point of order.

Mr. ANDERSON.—My point of order is as follows: As a courtesy the "majority" of the committee extended to the "minority," those two words were omitted in the presentation of the report, and they came before this body as an "affirmative" and a "negative" report. The affirmative report was presented followed by the negative. The motion now pending seeks to affirm a negative report—in my opinion a most unparliamentary thing to do. The amendment is not germane and I believe the Chair is justified in making a ruling to that effect.

The PRESIDING OFFICER.—Without making a ruling, it is hoped by the Chair that the gentleman will withdraw that amendment. It does complicate matters, because the Chair decides that it is really converting the negative report into an affirmative. If the gentleman will kindly withdraw his amendment, the Chair feels sure that it will simplify the situation.

Mr. REYNOLDS.—Without prejudice to the motion I have made heretofore, but out of desire to be chivalrous. Then is there any motion before the Board?

The PRESIDING OFFICER.—You proposed an amendment to the negative report—at least it was so considered. The Chair has asked you to kindly withdraw that amendment in order to simplify matters.

Mr. REYNOLDS.—I am willing to withdraw that without prejudice to my rights.

The question was loudly called for.

Mr. CLUM, of Cleveland.—I just want to say a word.

The PRESIDING OFFICER.—The Chair hopes gentlemen will confine their remarks as closely as possible to the subject and make them as short as possible. The hour is getting late.

Mr. CLUM.—I simply want to say one word. It has been suggested by Mr. ACKER that we were sending parcels abroad for less than we can send them from Cleveland to New York, and he says that is idiotic. Suppose it is idiotic, how is it to be changed? To change that idiotic condition does not mean necessarily the introduction of a parcels post. We can change or cure unjust discrimination without extending the system by something so questionable as the parcels post seems to be.

Another thing. It has been stated here that data on which the report of the Postmaster-General was based seems to be more or less meagre and more or less unreliable in their sources, and certainly the head of that Department has not himself been there long enough to make a very thorough investigation into all the details concerning the reliability of these data on which he bases his opinion. This National Board of Trade has gone on record a year ago in no uncertain language that at that time it was not expedient to recommend parcels post legislation.

I say, in view of the fact that our information is more or less meagre, in view of the fact that an investigation is being made at this time by the Post-office Department, which in the course of a year, perhaps, may give us definite information as to the relative cost of the various departments of the Postal Service; it seems to me that it is unwise to depart from the position that this National Board of Trade took a year ago. I therefore am in hopes that we to-day may defer any radical action, but may take what seems to me to be conservative and safe ground, that for the present we do not recommend a parcels post system.

Mr. WOOD, of Philadelphia.—In order to facilitate matters and get the question clearly before the meeting—because I think we are getting confused about it—I desire to say that the Secretary might be requested to read over again the resolution we are asked to adopt.

The PRESIDING OFFICER.—The negative resolution?

Mr. WOOD.—The negative resolution. Then any one can ask to amend it if he chooses.

The PRESIDING OFFICER.—The Secretary has not the report at his desk.

Mr. WOOD.—I suggest that it be read without the preamble.

Mr. HITCHCOCK, of Scranton.—My colleague and I do not agree on this question. The suggestion has been made that the adoption of this report would transform the present free delivery from a deficit to a paying institution. But don't you see that it would be the exact opposite? Why? The present rural free delivery is operated at a cost of \$40,000,000 or \$50,000,000 per annum. A rural route has one man and one wagon. Put on the parcels post to-day and that means a one-horse express wagon to-morrow and a double team the next day, and half his time consumed in caring for the parcels. You will double your expenses at once. You cannot help it.

The PRESIDING OFFICER.—The Secretary will now read the negative report for information.

WHEREAS, Various bills have been introduced into Congress looking to the establishment of a parcels carrying system in connection with our postal service; and

WHEREAS, The National Board of Trade believes that any bill of this sort would prove harmful to most business interests, large and small, all over the country, and furthermore that even a conservative bill would prove but an entering wedge to further legislation less conservative in nature and more harmful in its operations;

Resolved, That the National Board of Trade is opposed to any legislation looking to the establishment of a parcels carrying system in connection with the Post-office Department at this time.

Mr. ESTES, of Nashville.—Gentlemen seem to abandon logic in this debate and appeal to testimony in regard to what is desired by the people who are to be principally affected by

this innovation. I think I have some testimony on this subject which is quite pertinent. About ten days ago in Nashville there was held a meeting of the Tennessee Board of Trade. That Board of Trade is composed of about fifty organizations, thirty-eight of which were represented by delegates coming from a number of small towns, some of them of 1,500 population, some of them of 2,000, and others, of course, larger. The same resolution that was adopted by the National Board of Trade at its last annual meeting was proposed in the Nashville Board of Trade. It went to a committee and when it was reported back it was challenged by a representative from one of the smaller towns, who said he could not accept it without explanation. I mention this fact to show that the matter was understood, that it was not perfunctory on their part. After debate it was adopted unanimously.

I say that is testimony which should be satisfactory on the question as to whether people who would be affected by this matter are in favor of an extension to any degree of the parcels post system. Of course, all of us may have heard various reasons assigned for our action, but so far as those parties were concerned, they were in favor of the conditions now existing remaining as they are. They are not in favor of the Government going to any further extent into the carrying business. They believe that is a matter for private initiative and private effort.

Speaking generally, it seems to be a test, Mr. President, as to whether or not in its general aspect the Government shall go into the express business or not. Of course, this is merely an entering wedge, as Mr. Meyer has been frank enough to say. We do not believe that the Government is able to do anything as cheaply and efficiently as private individuals can do it. If private individuals now are competent to conduct this business, it is a matter in which the Government certainly ought not to be called upon to enter.

There were loud calls for the question.

The PRESIDING OFFICER.—There seems to be a call for the question. The question is on the adoption of the negative resolution.

A DELEGATE.—Let us have it read.

The PRESIDING OFFICER.—The Secretary will kindly read it again.

The Secretary again read the preamble and resolution as presented in the negative report.

The PRESIDING OFFICER.—The Chair will state that this involves a question of policy on the part of the Government. It is a recommendation that, according to the rules of the Board, requires a two-thirds vote. Are you ready for the question? (Putting the question.) The Chair is unable to decide.

A division was called for and being taken, the Secretary reported thirty-eight voting in the affirmative and twenty-two in the negative. [Applause.]

The PRESIDING OFFICER.—The motion is lost, as it requires forty in the affirmative, and it has only received thirty-eight. The question is now upon the adoption of the affirmative resolution. Are you ready for the question?

Mr. HARVEY, of Philadelphia.—I would like, if it in consistent with parliamentary usage, to offer a substitute. This is a resolution presented by the Philadelphia Board of Trade:

Resolved, That the National Board of Trade has heard with interest and approval the views of the Postmaster-General, looking to an extension of the work of his Department and that it specifically recommends the creation of a parcels post in connection with the rural free delivery at the rate of 5 cents for the first pound and 2 cents for each additional pound, with limitation of weight not to exceed 11 pounds.

I offer that as a substitute for the affirmative report.

The PRESIDING OFFICER.—Are there any remarks in regard to this proposed substitute?

Mr. FERNLEY.—I simply want to say that the resolution as read is a resolution in favor of a parcels post, and is in direct opposition to the action of the Board one year ago.

The PRESIDING OFFICER.—The question is on the adoption of the substitute as presented.

Mr. CARTER, of Boston.—I rise to a parliamentary inquiry. Will the Chair kindly tell us, for information, if a two-thirds vote is required on this question?

The SECRETARY.—The substitution would not require a two-thirds vote, but before the resolution passes it would require a two-thirds vote.

Mr. CLUM, of Cleveland.—Then, Mr. President, under the ruling just announced the vote just taken was on the substitution and not on the adoption of the resolution, and since it seems to be the rule that a majority vote is sufficient to carry a substitution, the vote of thirty-eight was sufficient, and it is now in order to have a vote on the adoption of the report as a substitute.

The PRESIDING OFFICER.—That point is well taken. The Chair accepts that view.

Mr. NEWCOMB, of Washington.—I rise to a point of order—that no other business is in order pending the completion of taking the vote.

Mr. HARVEY.—The resolution of the Philadelphia Board of Trade proposed as a substitute for the affirmative report is of course open for amendment, as any resolution would be:—

Resolved, That the National Board of Trade has heard with interest and approval the views of the Postmaster-General, looking to an extension of the work of his Department, and that it specifically recommends the creation of a parcels post in connection with the rural free delivery at the rate of 5 cents for the first pound and 2 cents for each additional pound, with limitation of weight not to exceed 11 pounds.

There is no reason why we should reaffirm our action of last year. As I understand, no resolution has been offered before this house that either affirms the principle or asks the Government to become a paternalist and carry goods for less than cost. We are simply affirming what the Postmaster-General says he would like to do. If there is any paternalism it must be exercised in what is being done for the benefit of other nations—carrying mail packages thousands of miles to twenty-two foreign countries for 12 cents a pound, while not carrying it in our own country for less than 16 cents a pound.

I would like to refer to the fact also that we are spending \$300,000,000 to build the Panama Canal, 90 per cent. of the benefit of which will go to other nations, because we have no merchant marine to go through it. [Great applause.]

THE PRESIDING OFFICER.—The question is on the adoption of the substitute proposed. Will the Secretary kindly read that again? [“No! No!”]

MR. FLASH, of New York.—I accept Mr. HARVEY’S resolution in lieu of the original affirmative resolution which I proposed.

THE PRESIDING OFFICER.—Is that satisfactory? If so, the question is on the adoption of the substitute resolution which has been accepted for the affirmative report.

MR. BURROWS.—I ask for information whether this will not certainly require a two-thirds vote.

THE PRESIDING OFFICER.—This requires a two-thirds vote, because it is really the affirmative resolution.

MR. NEWCOMB.—As I understand the parliamentary situation, the negative proposition was substituted for the affirmative. The original affirmative proposition was entirely done away with, so far as this meeting is concerned.

THE PRESIDING OFFICER.—No, no.

The question was called for.

THE PRESIDING OFFICER.—The question is upon this affirmative resolution, which really favors a certain extension of the parcels post.

MR. HARVEY.—May I explain? The explanation which I wish to make is this: If this substitute resolution requires a two-thirds vote, and fails of passage by a two-thirds vote, then the affirmative report comes before the house.

THE PRESIDING OFFICER.—The Chair decides to the contrary, because that has been withdrawn in favor of your report.

MR. HARVEY.—I did not know that it had been withdrawn.

The PRESIDING OFFICER.—The question is on the adoption of the substitute resolution.

Mr. ACKER.—I rise to a point of order. As I understand, there is no affirmative report before us. This body adopted the negative report as a substitute for the affirmative report, and consequently there is no affirmative report before us. [Cries of dissent.]

Mr. NEWCOMB.—The Chair decided that it only requires a majority vote to substitute and we had a vote of thirty-eight to twenty-two.

The PRESIDING OFFICER.—The negative proposition did not carry.

Mr. HITCHCOCK.—No resolution can be adopted here without a two-thirds vote.

The PRESIDING OFFICER.—That is right. The question is now upon the affirmative resolution. Mr. HARVEY's resolution takes the place of the original affirmative resolution.

Mr. HITCHCOCK.—That is the motion he made, but that has not yet been adopted.

Mr. ANDERSON.—In reply to Mr. HITCHCOCK, the report was accepted.

The PRESIDING OFFICER.—The question is upon the affirmative report, as proposed by Mr. HARVEY, and which has been acceded to by the Chairman making the affirmative report of the committee, you understand. The Chair desires to be perfectly plain. (Putting the question.) The Chair is unable to decide.

A division was called for and upon being taken, the Secretary reported twenty-six voting in the affirmative and thirty-three in the negative.

The PRESIDING OFFICER.—The motion is lost, as there is not a two-thirds vote either way.

A DELEGATE.—Are we to understand that the previous action of the Board stands?

The PRESIDING OFFICER.—The Board takes no action. You can count whichever way you choose. [Laughter.] What is the next business before the Board?

NATIONAL CURRENCY.

Mr. GODLEY, of Philadelphia.—I have a report to make, Mr. President.

The PRESIDING OFFICER.—By a previous arrangement with the Chair, the Committee on Currency will next report.

Mr. NELSON, of Baltimore.—I have the honor to submit the report of the Committee on National Currency. It is as follows:—

Resolved, That the National Board of Trade recommends that all existing restrictions upon the issue and retirement of national bank circulation, under the law of July 12, 1882, in Section 9, be repealed.

Resolved, That the National Board of Trade favors the issue of a properly safeguarded national bank currency without the deposit of any bonds, under rules and regulations to be established by the Comptroller of the Currency with the approval of the Secretary of the Treasury, such emergency currency to be guaranteed by the Government and taxed at a rate which will make its issuance practicable and yet be sufficiently high to ensure its rapid retirement as soon as the emergency conditions shall have subsided.

This report is signed by seven, three dissenting as to currency without bonds.

Mr. President, in presenting the report of the Committee on National Currency Propositions, I desire to make a few remarks regarding the government's financial policy and the currency question.

Most of us who are old enough remember how the legal tender greenbacks were issued as a war measure, how in 1877 an act of Congress was passed providing for their retirement at the date fixed for the resumption of specie payment, January 1, 1879, how unfortunately in 1878 this law was repealed, and it was directed that the Secretary of the Treasury should pay out greenbacks whenever received. We recall how in 1878 and 1890 the silver purchasing acts were passed and how those measures were fast bringing our country to a silver basis, when

ex-President Cleveland, assisted by Senator John Sherman and other patriotic members of Congress, in 1893, forced the repeal of the Sherman Act of 1890, and later in 1900 how a law was passed placing this country firmly on a gold basis.

We remember that Secretary Chase conceived the idea of making a market for the bonds of the Government by permitting National banks to take out circulation on a deposit of Government bonds.

It never was intended, Mr. President, that this bond-secured currency should become the currency of the nation, but the system continued until we have to-day \$650,000,000 out of the \$850,000,000 of the capital of the banks locked up in an investment in United States bonds, nine-tenths of said bonds bearing interest at 2 per cent. per annum. And now comes Senator Aldrich with a proposition to permit banks to lock up additional capital in other bonds, with a threat that if we do not accept his proposition we shall have no currency legislation. It is not possible, Mr. President, to have an elastic currency based upon bonds. This because no bond-secured currency is responsive to the demands of trade and commerce, as its issuance and retirement is controlled by the speculative value of the bonds deposited as security, and it frequently happens that our banks issue circulation when it is less needed and retire it when it is most in demand.

The present bond-secured currency of our banks is a menace to the safety of our financial, industrial and commercial institutions and some day it promises to create a panic to which the late unpleasantness will be as a gentle breeze is to a cyclone.

Can you not, Mr. President and gentlemen of the National Board of Trade, imagine what would happen to the banks who have paid a premium for the 2 per cent. bonds should the time arrive when the Government will be obliged to sell a 3 or 4 per cent. bond for Panama Canal, Philippine or war purposes? Would not the 2 per cent. bonds adjust themselves to a 3 or 4 per cent. basis?

Our present bond-secured currency is established on a false basis, as no one would pay 75 cents on the dollar for the 2 per cent. bonds for income producing purposes. Besides a bank

taking out such currency detracts from its usefulness commercially. A bank with \$100,000 capital locks up \$5,000 in the premium on the bonds purchased and \$5,000 additional in a redemption fund, so that it has \$10,000 less to loan than if it had kept its capital intact. Our bond-secured currency is safe but so it would have been had there never been any bonds behind it, as one-fifth of 1 per cent. tax per annum on circulation would have created a fund sufficient to pay the notes of all the banks which have failed in forty years, but it is not efficient for the reasons I have named. We must protect it, but I hope the National Board of Trade will adopt the report of the committee and go on record as being opposed to the issue of any currency based upon any bonds other than those of the Government.

THE PRESIDING OFFICER.—Gentlemen, you have heard the report of the committee. What is your pleasure?

A motion was made for the adoption of the report of the committee.

THE PRESIDING OFFICER.—Are there any remarks?

MR. PEABODY, of Boston.—Mr. President, there was so much confusion at the time the report was read that I question whether many heard it. There are two resolutions, and in one respect I am one of the dissenters with two associates, and I would like to move that the two resolutions be acted upon separately.

THE PRESIDING OFFICER.—In other words, you wish to divide the report?

MR. PEABODY.—To divide the report and take separate action.

The first resolution was unanimous with the committee and is supplemental to what we passed last year:—

That the National Board of Trade recommends that all existing restrictions upon the issue and retirement of national bank circulation, under the law of July 12, 1882, in Section 9, be repealed.

The limitation upon the retirement of bank notes had until last year been \$3,000,000 per month, and it was raised to \$5,000,000 per month, at which it stands at the present time.

There is also a restriction upon the issue of notes, preventing a bank which has retired its notes from issuing them again for a period of six months. Since October 1, 1907, there have been \$86,000,000 of bank notes taken out and put into circulation, and it would appear very clear to some gentlemen that that \$86,000,000 will very soon become a glut and need to be retired. It will take ten months to retire that \$86,000,000 under the present limitation of \$9,000,000 per month.

I move, Mr. President, that we adopt this first resolution to repeal all the remaining restrictions.

The PRESIDING OFFICER.—The question is upon the adoption of that portion of the resolutions referred to by Mr. PEABODY.

Mr. HARVEY, of Philadelphia.—I would like to ask Mr. PEABODY a question. Do I understand that the resolution he has just referred to was unanimously agreed to by the committee?

Mr. PEABODY.—It was.

Mr. HARVEY.—And that on the other there were three dissenting members?

Mr. PEABODY.—Yes, sir.

The PRESIDING OFFICER.—Are there any further remarks?

The resolution was adopted.

The PRESIDING OFFICER.—Now the question is upon the adoption of the other resolution.

Mr. PEABODY.—I desire to explain the next resolution, which is:—

That the National Board of Trade favors the issue of a properly safeguarded national bank emergency currency without the deposit of any bonds, under rules and regulations to be established by the Comptroller of the Currency with the approval of the Secretary of the Treasury, such emergency currency to be guaranteed by the Government and taxed at a rate which will make its issuance practicable and yet sufficiently high to ensure its rapid retirement as soon as the emergency conditions shall have subsided.

This recommendation is for the issue of emergency currency without the deposit of any bonds. I dissent as to the rec-

ommendation so far as it relates to the issue of emergency currency without the deposit of bonds as security. In that dissent I was joined by Mr. CHARLES B. LAWSON and Col. F. L. HITCHCOCK.

Mr. LOGAN, of Pittsburg.—I would like to move that that resolution be adopted.

Mr. HARVEY.—Before action is taken upon that I would like to ask if the Secretary will not read the second resolution as embodied in the report of the committee.

Mr. NELSON.—I will explain, if you will permit me. The only thing that the gentleman dissents to is in regard to the deposit of bonds to secure currency. If you will permit me to say, there is now a bill, as we all know, which has been reported to the Senate, and that bill provides that the banks can deposit not only municipal bonds, but certain railroad bonds, such as may be acceptable to the Comptroller of the Currency and the Secretary of the Treasury. I am convinced in my own mind, in the first place, that it is unscientific to issue currency secured by any bonds, because that does not meet the requirements and demands of trade and commerce, as I stated before. To substitute bonds other than Government bonds will only intensify that condition, and I feel would bring about a state of affairs which might in the course of time place us in a very uncomfortable position.

We all know that if the banks are encouraged to buy bonds, even you might say municipal bonds, they will do it. In fact, they have all done it already to too great an extent. We have seen the $3\frac{1}{2}$ per cent. bonds of New York fall from 103 to 87, and our Baltimore City $3\frac{1}{2}$ per cent. bonds have fallen from 110 to 90; and so it is all over the country.

I do not think it is either wise, scientific or safe to permit the banks to deposit any bonds other than those of the Government, because there is naturally a greater speculation in the bonds of municipalities. Not only that, but it encourages the bank to lock up their capital. They have already locked up \$650,000,000, mostly of 2 per cent. Government bonds. If they are going to lock up their surplus in other bonds, they are simply converting their liquidated capital and surplus into

a fixed capital and surplus, which ought to be obnoxious to you, gentlemen, who want a commercial bank and not a bank which speculates.

Mr. HAMLIN, of Boston.—I want to say that it seems to me that a bill authorizing other than Government security would be very good for those who have these other securities and want to sell them, but I believe it to be a pernicious principle to permit any securities to be deposited other than Government bonds.

I could go farther than that, perhaps, but it is not necessary. It is well known that in the last few years other bonds have been taken as security for public deposits, and a report of the Treasurer of the United States justifies that action by stating that in the first few years of National banking that practice was followed and that other securities were taken in larger measure than Government bonds, in addition to individual notes. I took some pains to investigate that, and I can state now that the Treasurer of the United States officially told me that there never were any deposits whatsoever of Government funds in banks unless they were secured by Government bonds, in addition, oftentimes, to individual notes; that there is no authority whatsoever in the law or any precedent for taking any other deposits than Government bonds and individual notes, carrying out the words "or otherwise," according to the interpretation of the court.

I believe that it is not only an "entering wedge," but I believe it is contrary to the whole policy of the United States Government to permit a proposition of this kind, to force banks to buy and put up collateral which they do not ordinarily have. I am not a practical banker, but I assume that banks do not ordinarily carry municipal and other bonds; that they have only to buy them when they want to utilize them. It seems that the only foundation for belief in the ability of a bank to pay its notes is to pay out of what assets it has, its bills receivable and its mercantile accounts; and that, of course, is its ultimate basis. But back of all the only way that a bank can meet its obligations is to meet them by payment in standard gold coin of the world as it is to-day, practically.

I thoroughly concur in that view and I rise to second the motion that this second resolution be adopted.

Mr. HITCHCOCK, of Scranton.—I think if Governor HAMLIN will look at the resolution carefully he will discover that he is really opposed to it, because this eliminates the power of the Government to issue circulation on bonds. ["No! No!"] It certainly does.

The PRESIDING OFFICER.—The Secretary will read it.

Mr. HAMLIN.—The gentleman from Scranton has made two mistakes. In the first place he called me "Governor," and I have never been a governor; and I think his second mistake is that this eliminates the power of the Government to issue circulation on bonds.

Mr. HITCHCOCK.—I was one of the dissenting members of the committee. The question is whether currency should be issued with bond security. This resolution, as I understand it, authorizes the issue of currency without bond security, and really takes it from the power of the Government to adopt anything else but a bond security. That is the very thing I am opposed to. We have now one of the best circulating mediums in the world, and while it is held that the Government may secure itself by requiring a certain reserve and also by imposing a certain tax which would pay the interest on all possible loans in currency, nevertheless I say the moment you start in without a bond-secured currency you are sailing upon an unknown sea. For forty years we have been on that basis.

A DELEGATE.—This is only an emergency currency.

Mr. HITCHCOCK.—I don't care what it is.

Mr. HAMLIN.—I understand the gist of this is that a bank may issue, in a certain emergency, 140 per cent. of its bonds, instead of 100 per cent.

Mr. HITCHCOCK.—I would agree to that report if you take out the words "without the deposit of bonds," or "with bond deposit," as the resolution is worded.

Mr. HAMLIN.—A bank needs an emergency currency, but if you tax that and have a Government guaranty behind it,

the question will relate simply to the Government guaranty. The Government has guaranteed these notes, and they have ample protection. I believe that the security of Government bonds means absolutely nothing. It was devised in the first place to market Government bonds; that was the only reason. If we had never had any such deposits of bonds as security for circulation, I think our currency would be sounder than it is to-day.

Mr. HITCHCOCK.—How is the Government going to be secured in making its guaranty if it has nothing to base that guaranty upon?

Mr. NELSON.—I will be delighted to answer you. Experience has proved to us that it has not been absolutely necessary that a single Government bond should have been deposited to secure our present \$600,000,000 of National bank currency. This National bank currency is taxed at present one-half of 1 per cent. per annum. I said one-fifth, but really, about one-tenth of 1 per cent. tax per annum would have established a fund which would have paid all of the notes of the National banks that have failed since the National bank act was passed, and I am satisfied that the people will not consent to any currency which is not backed by the Government. They have become used to that and I do not believe that Congress would authorize, or that the people would be satisfied with any other currency. But this resolution provides for a properly safeguarded National bank circulation without the deposit of any bonds, under rules and regulations to be established by the Comptroller of the Currency, with the approval of the Secretary of the Treasury, such emergency currency to be guaranteed by the Government and taxed at a rate which will make its issuance practicable and yet be sufficiently high to insure its rapid retirement as soon as the emergency conditions shall have subsided. That leaves it altogether with the Secretary of the Treasury, first to properly safeguard it; and, secondly, it leaves it with the Government to satisfy itself as to its guaranty by making such arrangements as it shall think best to secure itself.

The PRESIDING OFFICER.—You mean that that may be bonds or otherwise?

Mr. NELSON.—No I do not mean that it may be bonds or otherwise. I do not think that a bond-secured currency under any conditions or circumstances can be an elastic currency. It does not go out and come in according to the demands of trade and commerce. If you will look at the reports which have been published you will find that the National bank currency has gone up, up, up, all the time, and is to-day as high as it ever was, and it never comes down.

Look at the currency of Canada, of Scotland, of England or Germany, and you will find that it goes up and down, up and down, according to the demands of trade and commerce. In crop-moving times our currency goes up; in crop-growing times the currency goes down, so that very frequently it happens that when a crop-moving period comes the currency is retired. Why? Because it pays the bank to sell their bonds and retire their currency.

On the other hand, it frequently occurs that when the currency is not wanted they take it because they can buy Government bonds and draw interest. It is only because of the profits which banks make that induces them to take it all. They are much worse off commercially than they were before they took out bonds. Whenever a bank takes out \$100,000 currency it costs the bank \$110,000 to do it, so they lose \$10,000 of available credits to loan to such men as you gentlemen represent.

For that reason I am opposed to the deposit of any bonds whatever. Of course we cannot change our present bond-secured currency under present conditions. We have to protect not only the banks, but the Government. But I think this resolution which we offer certainly ought to meet with your approval, because it provides for the safeguarding by the Comptroller of the Currency and the Secretary of the Treasury, and for the guaranty of the Government, the Government to make itself whole and good by any means which it shall determine to be best.

Mr. PEABODY.—I want to make this clear to the gentlemen present. This is out of harmony with the bill which in a crude form, I will say, has been presented by Senator Aldrich, the

only bill which is likely to have any success this year. That contemplates either Government bonds or municipal bonds of high grade as a basis of emergency currency. But this proposition is for an emergency currency without the deposit of any bonds. It is at variance with the principle of Senator Aldrich's bill, in that Senator Aldrich adheres to the principle of bond-secured currency, whereas this resolution precludes the deposit of bonds and favors a credit currency without any increased security to be put up by the banks applying for it.

Mr. TRUESDELL, of New York.—I want to call the attention of the Board to the fact that these resolutions do not in any way affect our bond-secured circulation. But since this system was adopted we have had several periods in the history of the country when there has been a very serious question as to our ability to secure enough Government bonds to be deposited against the necessary circulation of the country. That condition has been emphasized within the past six months. I desire to remind you that during the latter part of the fall and early winter the Secretary of the Treasury in order to help existing conditions, offered to sell \$50,000,000 of Panama Canal bonds in advance of their necessary use and also offered \$100,000,000 of certificate notes for the purpose of enabling the National banks to increase their circulation.

Now to meet this condition Senator Aldrich in his bill, recognizing the fact that there are not sufficient Government bonds to meet the requirements of currency, offered to substitute for them municipal bonds, State bonds and approved railroad bonds. To put an emergency currency out upon such a basis would lead us into unspeakable difficulties in the future, and we believe that the recommendation that has been made by the American Bankers' Association, and by many others who have given the matter very serious thought, that a credit currency should be issued, subject to a tax of, say, 5 or 6 per cent., and sufficiently great to recall the currency when the need for it has passed, and more than sufficient to guarantee its security, is a better policy for the country to adopt at this time than to attempt to issue notes based upon an irregular assortment of securities that may be furnished from all parts of the country.

That this recommendation has been approved by the Bankers' Association for several years shows that it is not a radical move for change in our system. It is not reasonable to believe that these men, the life of our banks, depending largely upon the security of their currency issues, would be willing to make such a recommendation unless they were satisfied as to the character of the credit notes to be issued.

We are all familiar with the insurance system of the world. It has been found by insurance companies that the payment of a certain premium would secure them against all possible risks on lives insured and leave on their hands a large profit on their business. The same principle can be applied to our currency system. We maintain that such a system is really freer of risk and uncertainty than a bond-secured system where the bonds may possibly fluctuate 25 to 50 per cent. of their actual value for a great emergency in this country, as in the case of a war with other powers, when possibly \$500,000,000 or \$1,000,000,000 bonds would be issued, would lead to the falling off of the present 2 per cent. bonds to a market price of not over 50 cents. That is the peril that has been suggested that this country stands in to-day, and we believe that the National Board of Trade will take its place with those entertaining the best sentiment of the country in making the recommendation that we have put in the resolution referred to you.

Mr. CARTER, of Boston.—I hope we shall proceed at once to a vote and I shall only occupy a moment. I think the issue is clearly defined and we all understand it. We all understand that Mr. PEABODY'S proposition on this question, whether we shall vote for a bond-secured circulation which does not have due elasticity, or whether we shall vote for an emergency circulation which many of our bankers think is perfectly safe because it has elasticity. I hope the resolution as presented by the committee will prevail.

The resolution was adopted unanimously.

INTERNATIONAL ARBITRATION.

Mr. ESTES, of Nashville.—Mr. President, this morning when the report of the Committee on International Arbitration was

presented, Mr. Scott, who addressed us, called attention to what he conceived to be an error in the report, in regard to the establishment of a permanent peace court. It seems that rather than an error, it is probably but a difference of opinion, whether the court was provided for. But, in order to put it in successful operation, we have drafted a new clause of our resolution, which states:—

Resolved, That the action of the Hague Peace Conference, in making possible the organization of an international peace court, is calculated to advance civilization, promote the welfare of humanity, and establish the reign of "Peace on earth, good will toward men;" and we ask that the State Department of this country do all that it can consistently to promote the organization and successful operation of such court.

I move the adoption of this resolution as an amendment to the action heretofore taken by the Board.

The motion was agreed to.

The preamble and resolutions as adopted are as follows:—

WHEREAS, The substitution of arbitration for war as a means for settlement of international disputes is consistent with relations of dignity between civilized nations, and is demanded for avoidance of wastages of the results of productive human effort, and by every rational consideration based on features of humanity and morality; therefore

Resolved, That the efforts which have been made and are being made in this and other countries for securing arbitration arrangements for settlement of international disputes are hereby recognized as in the highest degree promotive of civilization and of the world's welfare, and that the continuance of such efforts is commended for the good of the present and later generations of mankind.

Resolved, That the action of the Hague Peace Conference in making possible the organization of an "International Peace Court" is calculated to advance civilization, promote the welfare of humanity and establish the reign of "Peace on earth good will toward men," and we ask that the State Department of this country do all that it can consistently to promote the organization and successful operation of such court.

Resolved, That the ratification of treaties with other governments by the United States, which contemplates the adjustment of differences, so far as possible, by arbitration, is a matter of high importance to the interests of international commerce and humanity.

Resolved, That all who have in charge the training of children and the preparation of books for their guidance should make use of such means

for emphasizing the desirability of peace with its many and easily recognized blessings, rather than the costly barbarity of war.

At 6.20 o'clock P. M., on motion, the Board adjourned until 9.30 A. M., to-morrow, Thursday, January 23, 1908.

THIRD DAY.

THURSDAY, JANUARY 23, 1908.

The President called the Board to order at 10.03 o'clock A. M.

MILITARY TRAINING IN THE SCHOOLS.

Mr. CLUM, of Cleveland.—Mr. President, late last evening we adopted the report of the Committee on International Arbitration. The report had as its concluding resolution this:—

Resolved, That all who have in charge the training of children and the preparation of books for their guidance should make use of such means for emphasizing the desirability of peace with its many and easily recognized blessings rather than the costly barbarity of war.

I move that a copy of this resolution be forwarded to the commissioners of education in the several States.

Mr. GIBSON, of New York.—I second that motion and I would like to offer something that might be in the nature of an addendum to that, if it is proper.

The PRESIDENT.—Perfectly proper.

Mr. GIBSON.—I have been at some pains to examine the question whether there has arisen a military spirit in this country, and in the course of that examination my attention was drawn to the fact that particularly in our section of the country there are a great many military schools established in which the young ideas were trained in such a way as to promote or create a warlike spirit; and on further examination I found that in a great many high schools a military training was given and that in those military schools and in some of the high schools, real rifles were used and that in others only mock rifles were used.

It seems to me that no idea should be engrafted into the minds of the young by handling implements of war, other than

that those young gentlemen might sometimes be called upon to handle the real thing for active purposes. I think, therefore, that we should add something to this resolution deprecating the teaching of military tactics and the use of military discipline in the high schools of the country, so far as they are a part of the public school system.

The PRESIDENT.—Is that suggestion accepted?

Mr. WOOD, of Philadelphia.—I should be very sorry to have anything go out from this Board deprecating the system of military instruction as carried on to a certain extent in the public schools and high schools of the country. We are not a military nation. We do not support a standing army of 1,000,000 men, as many nations less powerful do. There is just one thing that it is important that our young men should understand, and that is how to act in case we are attacked.

I am not a warlike man myself and I do not approve of war, but I do think there is always a time comes when a nation must assert itself if it has any dignity. I do not want to see our young men mollicoddles.

Mr. HITCHCOCK, of Scranton.—I am not sure, Mr. President, that I correctly understood the purport of the remarks of the gentleman on my left (Mr. GIBSON), but they seem to be opposed to encouraging any military instruction or military spirit in our young people. I think that is the greatest mistake on earth. This country is a country of citizens, and if we are to be defended and taken care of we shall have to do it among ourselves. Every great war this country has had has had to be carried on by citizens. Nothing contributes more to the safety of our country than the inculcation of a proper military spirit by proper military training for our young men.

I served three years in the great War of the Rebellion and I have been eleven years in the National Guard; I am at this time an officer in the Pennsylvania National Guard. That service has given me some knowledge of the benefits and requirements of a military training, and I want to say that if I had ten sons I should want every one of them to have some military education and training. I should want him to hold himself upright and, above all, I should want him to

learn what it is to obey—*obey*. The worst possible way to bring up a young man is to have him trained without the first idea of what law is and the necessity of obedience to the law.

The idea that the right kind of teaching of military discipline and tactics in our schools is going to promote war is, to my mind, foolish indeed. President Roosevelt has said that a great navy is a powerful provocative of peace. So is a great army of citizen soldiery like ours. The most magnificent spectacle the world ever saw was when 2,000,000 of our citizen soldiers laid down their arms at the end of our great civil war and quietly resumed the occupations of peace. It astonished the world.

If we are to be a nation able to take care of itself we have got to do it ourselves. We have no standing army, except a police force. Let us consider what a mighty weapon of defense we have in our National Guard. We have a good navy, but no army to-day. Think how helpless we should be if our country were invaded by any powerful nation of the world!

The great and striking difference between the North and the South when our great war broke out was just this: the South had cultivated in her military schools and by her military companies the military spirit, and for the first three years of the war they had greatly the advantage of us. We had all to learn about the art of war. The South had all been trained and their first successes were due to that very thing.

What we need to-day is to cultivate the military spirit. It makes better men, stronger men of our boys, and when the time comes they will be of some service for the defense of the country. But we shall have no occasion to defend ourselves if it is everywhere known that we are able to take care of ourselves.

Mr. HAMLIN, of Boston.—I am glad to say that I thoroughly concur in the views of my friend, Mr. HITCHCOCK. I suppose I am one of the youngest men here.

I served six years in the public schools of Boston, where we had military discipline, and I reached the very high grade of

adjutant. I believe that was the most valuable experience I ever had. It taught me discipline and obedience to law. I should feel that it would be a terrible loss for the American people to lose the existing system of military instruction.

I say that as a firm advocate of peace. I have attended in the last twenty years every peace conference to which I could get an invitation, and I believe firmly in the limitation of armaments. In this country wars are carried on by citizens, and just in the proportion that you have military training and discipline, in inverse proportion will you keep a small standing army of professional soldiers, as we believe our standing army always should be.

I advocate military instruction in our schools for, perhaps, a reason converse to that of Mr. HITCHCOCK—that thereby we can keep our standing army small, because our standing army must be augmented, when necessary, from the great mass of our citizens. I believe there is much to be said in favor of the German system of enforced military service, though this has no application to this country. A year ago Mr. Carnegie attacked the military system of Germany, saying that it was a bad system and that because of it the people were leaving Germany. Prof. Munsterberg corrected Mr. Carnegie, and said, “I have carefully investigated that matter and have come to the conclusion that the class of Germans who are leaving Germany to avoid military service are the class that Germany is very glad to get rid of.”

I simply say that because by different postulates Mr. HITCHCOCK and I reach the same result—that the smaller our army of professional soldiers, the better for the interests of the United States. [Applause.]

Mr. REYNOLDS, of Scranton.—I rise to a parliamentary inquiry, whether there is any motion pending?

The PRESIDENT.—There is, and an amendment has been proposed.

Mr. REYNOLDS.—Then I have this to say: I am a member of the committee to which that resolution was referred. I have spent sixteen years in the National Guard of Pennsylvania and I think that experience gave me, perhaps, a better ap-

preciation of the desirability of peace, even if the National Guard be viewed as an auxiliary to peace, than if I had not been a participant in the control and discipline of that body. I think that the better soldier a man is, the more restrained he is, the less likely to seek trouble, because he realizes, as Sherman did, that "War is hell." Grant himself, who probably was the greatest exponent of war in our day, breathed a sigh of relief when he said, "Let us have peace." I am heartily in favor of inclining the plastic mind of children to a careful regard for the advantages of peace. At the same time I believe in instructing them in the arts of war.

I therefore think the concise resolution, as originally offered and adopted, ought to be promulgated throughout the world in the interest of universal peace, and I hope the amendment will be rejected.

Mr. CROXTON, of Philadelphia.—I fully agree with Mr. HITCHCOCK and the other gentlemen with reference to military training. I go a step farther, however. I believe that not only should military training as far as possible be taught and practiced in our schools for boys, but in our schools for girls also.

The PRESIDENT.—So do I.

Mr. CROXTON.—They had military training in the Ogontz School and with very beneficial results.

I tell you, when we have no large standing army we certainly need the mass of citizens so educated that in case of trouble we can defend ourselves. In my opinion, this would tend to peace.

I have been reading a book on Japan, edited and translated by a Japanese, from which one gets an idea of the great benefits of the Japanese system of military training, not only in the making of good soldiers, but in the high character of manhood in civil affairs when living up to the high standard of honor inculcated. Every one needs discipline. Every one knows he has a superior and he must obey. It is easy to do it when you are so educated.

I am very much opposed to the proposed addition to the report of the committee.

Mr. CLUM.—It seems to me, Mr. President, that it would be rather discourteous to the committee—indeed, rather out of order—if we should, in the nature of an amendment, add to a resolution a clause which simply modifies the report. The report was made yesterday by the committee and was adopted unanimously by the Board. Therefore, it would hardly be proper, under the guise of an amendment, to change or add to that report in a very material way.

The PRESIDENT.—It seems so to the Chair. Mr. GIBSON, will you withdraw what you said?

Mr. GIBSON.—I could simply vote on the proposed amendment, but I will not withdraw what I said, for I have heard nothing said that convinces me that I was wrong.

The PRESIDENT.—Shall the Chair put it to a vote?

Mr. GIBSON.—No, sir; you need not put it to a vote.

The PRESIDENT.—The question is on the original motion, which has now been reduced to writing by Mr. CLUM, in this form:—

Resolved, That a copy of the last resolution reported by the Committee on International Arbitration and adopted by the National Board of Trade, be sent to the Commissioners of Education of the several States of the Union.

The resolution was adopted.

POSTAL SAVINGS BANKS.

The PRESIDENT.—We will now proceed to the unfinished business of yesterday. The Committee on Postal Savings Banks is next in order.

Mr. GODLEY, of Philadelphia.—We are ready to report:—

WHEREAS, It is generally believed that a large volume of currency is hoarded and consequently kept out of the natural channels of trade and exchange by many in this country who have not learned to utilize banking facilities, or who are remote from banking and savings institutions; and

WHEREAS, The Postmaster-General has formulated a plan to encourage the deposit of such currency in postal savings banks, at a rate of interest not to exceed two per cent., and the redeposit of such currency, at a

slightly higher rate, in authorized Government depositories in the same localities, thereby insuring the healthful circulation of said currency;

Resolved, That the National Board of Trade recommends to Congress the enactment of such legislation as will provide for the establishment of postal savings banks in accordance with the plan outlined by the Postmaster-General in his last annual report.

PHILIP GODLEY,
JOHN G. CROXTON,
WM. J. COOPER.

That report is signed by three members of the committee and is unanimous to the extent that we were able to get together. There were six appointed on the committee, but we were only able to get hold of three.

Mr. ANDERSON, of Cleveland.—I do not wish to consume time in the discussion of this report, but in view of the fact that only three have made the report—which is not a report of the majority—and in view of the fact that this involves some important departures in the direction of Government paternalism, I question seriously the advisability of this Board approving such a proposition.

Many are asking just now that the Government insure savings banks deposits and trust funds and guarantee profitable returns upon capital invested in various quarters, so that the next thing you know we are in danger of placing ourselves on record in our resolutions as being in sympathy with the most extreme ideas advanced to-day by the leaders of socialistic movements in Germany and in England.

We have been quite successful as a people thus far in our enterprises, and it seems to me if we continue to use in the future the same zeal, intelligence and foresight as we have used in the past that, notwithstanding at times we may have slight disturbances in our business world of commerce and trade (which may for the moment halt the progress of the people, yet must in the end result beneficially), we shall have the right to expect a continuance of a reasonable degree of prosperity. In journeying together, some of us may be able to carry heavier burdens and travel farther and faster than others. In such a case it is well for those more favored in this respect to halt and wait a moment for the less favored to catch up. And while I believe it is wise for the general Government, and the

States as well, to hedge about all these institutions with as much legislation as possible, consistent with safe and sound administration, I certainly doubt the wisdom of this National Board of Trade asking the general Government practically to guarantee deposits.

Trouble has arisen largely from men engaging in banking who are unfamiliar with banking in this country. I do not want to speak disrespectfully of a large number of men who come here, but I am free to say to you, gentlemen, that I am particularly anxious to change our form of Government so as to segregate the class who have not yet adapted themselves to American ideas and American views. So segregated for a time they will eventually, from the influences of education and environment, learn to keep step to the music of the American republic, and by and by become so in touch with real Americans that they will become a part of us. I believe that so long as the Government seeks to encourage departures from correct business principles, such as prevail among American business men, to that extent we are making a mistake.

I therefore hope we shall recommend, in lieu of this, proper legislation to safeguard our financial institutions, so that our foreign-born citizens who come here to remain with us can see that they are safe alike for the native-born and foreign-born citizens. Many foreign countries are having trouble over this very problem.

Mr. GODLEY.—I would like to explain that there were six members of this committee appointed. Our information at first was that Mr. ROBERTO FALCHERO, of New York, was not here; that as to Mr. ERNEST W. ROBERTS and Mr. F. C. NUNEMACHER—

The PRESIDENT.—Mr. NUNEMACHER was here.

The SECRETARY.—He did not answer to his name when the roll was called, and I have not seen him. Mr. ROBERTS is a member of Congress.

Mr. GODLEY.—Neither of those gentlemen was here. Whilst, as a matter of fact, it was named as a committee of six, only three were present at the opening of this convention. Hence, I think it is not unfair to say that this is a unanimous report.

The PRESIDENT.—The Chair will suggest that it might be well to confer with the delegates present from the Italian Chamber of Commerce. For instance, Mr. FALCHERO represents that body.

Mr. ZUCCA, of New York.—Mr. FALCHERO came here, but he had to go right back. He told me, though, that he is heart and soul in favor of the establishment of a Government savings bank.

Mr. BURROWS, of Cleveland.—I would like to ask the Chairman of the committee if he is able to tell us what the attitude of the savings banks of the United States is towards this question, because it seems to me that is something we should consider.

Mr. GODLEY.—So far as I have heard that question discussed, it has been to the effect that the savings banks have very little fear that this proposition, if established, would interfere to any extent with the deposits in the savings banks now established. The rate of interest proposed is not so high as the savings banks are now paying.

Mr. BURROWS.—Would your committee be willing to incorporate a clause to this effect: *Provided*, That upon the report of the leading savings banks it meet with their approval?

The PRESIDENT.—The vital point is that the proposed interest is only 2 per cent. This is to help ignorant people.

Mr. GODLEY.—This is all based upon the last annual report of the Postmaster-General, but I think his suggestion limits a deposit to \$250 a year.

Mr. HITCHCOCK, of Scranton.—Not more than \$250 in any one year?

Mr. GODLEY.—I think so.

The PRESIDENT.—The idea is to give to ignorant people, who are afraid of all financial institutions other than Government institutions, an opportunity to put their money where they believe it will be as safe as the Government itself. The Postmaster-General, in his address in Philadelphia, showed us a list of a great many organizations who had a general sus-

picion of all our financial institutions and who felt that their members would be secure if they held something recognizing their deposits with the United States Government, and many of their members, it was said, were buying post-office orders, which have to be redeemed within a year, and putting those orders in their pockets, without receiving any interest. So Mr. Meyers said he thought this would help that ignorant class of people who want the protection of the Government savings bank for their deposits.

Mr. GODLEY.—I would like to read what the Postmaster-General says about this.

[Cries of "No, no; we are ready for the question."]

The PRESIDENT.—The Chair thinks everybody now understands that perfectly. Are you ready for the question?

Mr. HITCHCOCK.—Does this apply to the large cities, or to small country towns?

A DELEGATE.—Universal application.

Mr. LAWRENCE, of Boston.—How many States have savings banks and savings funds? Does any one know?

Mr. GODLEY.—That is another point. The Postmaster-General reports that while New York, Pennsylvania and Massachusetts, for instance, are liberally supplied with savings banks, the greater portion of the country does not have them at all, that they are utterly inaccessible to the agricultural regions and remote sections.

The PRESIDENT.—He took Nevada as an example. He did not take Ohio.

Mr. LAWRENCE.—Alabama has no savings banks, as I happen to know. ["Question! Question!"]

The PRESIDENT.—The Chair thinks we are ready to vote.

The report of the committee was adopted.

TARIFF AND RECIPROCITY.

Mr. DOUGLAS, of New York.—Owing to the absence of Mr. MULLER, the Chairman of our Committee on Tariff and Rec-

iprocity, he has requested me to present, on his behalf, the following four resolutions from that committee. I wish to say that all of the committee except one were present, and these resolutions are unanimously reported from the committee. The first resolution is as follows:—

WHEREAS, It is important that every encouragement should be given to the education of the people in the fine arts; therefore be it

Resolved, That the National Board of Trade ask Congress to so amend the tariff law as to permit the importation of works of art free of duty when intended for public museums or art galleries.

The resolution was adopted unanimously.

Mr. DOUGLAS.—The next resolution reported from the committee is as follows:—

The National Board of Trade considers the tariff status of our possessions abroad, the Philippine Islands, the Hawaiian Islands, Porto Rico, etc., should be settled at once, and calls upon Congress to clearly define the issue.

The existing position is unsatisfactory and unsettling to both our own and their interests, as well as adversely affecting our relations with other nations.

We should either have free exchange of commodities both ways, based on these possessions being an integral part of the United States, or an adjustment along the lines of individual interest.

I merely want to say, in connection with the report, that we all know that the United States Government has not yet clearly defined the status of and our relations with our supposed possessions abroad; that in the Philippines we have one system, in Porto Rico another, and in the Hawaiian Islands still another. I do not intend to take up your time this morning with any extended discussion, but simply present this request that Congress shall consider this matter and place properly before the American people an intelligent interpretation of the relations in which our possessions stand to the United States.

The report was adopted unanimously.

Mr. DOUGLAS.—The third report of the committee is as follows:—

WHEREAS, The changed conditions, both at home and abroad, have indicated the necessity for a reclassification of many of the items in the

present tariff list and the possible creation of new classification in certain directions ;

Resolved, That it is the sense of the National Board of Trade that Congress should enact laws revising the tariff as expeditiously as possible ; further be it

Resolved, That we endorse the general principles of Senate Bill 3,163 introduced by Senator Beveridge, creating a permanent tariff commission.

The committee felt that the Dingley Tariff, which has been on the statute books for some eleven or twelve years, needs changes in some particulars. We felt that there are certain lines of goods which might, perhaps, be allowed entry at a lower tariff. We also felt that the classification should be changed in some special interests.

The question of revision, however, is an important question. A Presidential campaign is coming on and the committee recognized the inexpediency of any drastic action at this time, and therefore we indorse Senator Beveridge's bill, which, I might say, authorizes the appointment of a permanent commission of seven men, none of whom shall be members of either the House of Representatives or of the Senate. That commission will be authorized to take testimony, to travel and to report to Congress the results of its deliberations. The commission will also have the privilege of sitting with the House Committee on Ways and Means at its public hearings and giving that committee their advice. Of course, they will not vote. This is the general recommendation of our committee.

Mr. WOOD, of Philadelphia.—I move the reference of these resolutions to the council.

Mr. DOUGLAS.—I must decline to accept that motion, because I consider this a matter of vital importance, and I believe it to be a question upon which this Board should express itself. We do not want a lengthy debate, and hope there will be none, because our committee was a very careful and painstaking one, and we think we present a conservative report. So I hope it will not be referred, but will be adopted, because I think all must recognize that it is wise to have a tariff commission consider and recommend proper and necessary changes without disturbing the condition of the entire country, you might say.

Mr. WALDO SMITH, of New York—I move that the resolutions be adopted.

The PRESIDENT.—There is another motion already pending, for the reference of this report to the council.

Mr. WALDO SMITH.—That was not seconded.

The PRESIDENT.—In the absence of a second to the motion to refer, the resolutions presented by Mr. DOUGLAS are before the Board.

Mr. WOOD.—I had no anticipation, Mr. President, that this question would come up in a way to require debate. I had no desire or expectation of debating it. But I do think it is at least incumbent upon me to make the suggestion that the learned gentleman's opinion is entirely wrong as to the status of people's ideas about a tariff commission. I think, of all things, it is the most absurd proposition that can be brought before the people of the United States, that a commission of men can be set up to devise what the financial laws and income-producing laws of the United States shall be. That experiment was thoroughly tried some twenty-five years ago.

The SECRETARY.—In 1884.

Mr. WOOD.—And after great expense and consumption of time they made the worst botch.

The PRESIDENT.—That was a commission.

Mr. WOOD.—The recommendations of a tariff commission are practically worthless, and for this reason: that no matter how wisely framed, they can only be made law by going through the regular and necessary processes of legislation by Congress. Some people have the idea that the results ground out by a tariff commission become at once the law of the land. But law is not made in that way.

Just as soon as a member's constituent in Cleveland or New York finds out that a tariff commission has some plan for reducing the tariff on this article or that, he at once writes his member of Congress and tells him to stop that, and if the member does not succeed in stopping it, he is left at home

when the next election comes off. So that it is inevitably a Congressional matter, and the making up of a tariff commission is a pure waste of time, keeping the country and all the business of the country in a state of agitation over the work going on before the commission, which all comes to nothing. That being the gist of this recommendation, I hope every one will do, directly or indirectly, all he can to avoid the possibility of the organization of such a useless body.

Mr. DANIELS, of Boston.—It seems to me important that this body, representing the business interests of the country, should request that the tariff be drafted on business principles. It is one of the most important subjects that will come before the next Congress, and it seems to me that a study of it on scientific lines by a commission appointed for that purpose is the only method by which Congress can get intelligent advice.

We know that conditions are continually changing; that some of our industries have been protected to the limit, and we demand relief. It would seem that the only way by which Congress could get an intelligent idea of what is necessary would be to create a commission which shall have plenty of time, means and facilities to acquire proper information. The committee do not, as I understand, recommend the Beveridge Bill itself, but the general principles of the Beveridge Bill creating a commission of seven men, who shall make a complete study of the subject, each member of the commission to represent some individual specialty, so that we shall have a commission of experts who will treat the subject on business principles, entirely removed from political influences.

Mr. DUNBAR, of Lynn.—Mr. President, I simply stand here as a representative of the largest shoe-manufacturing city in the world—Lynn, Mass.

I have heard arguments from our present Governor, I have heard arguments from ex-Governor Douglas, and I think they are nearly united on this great question of what the tariff may do for the benefit of the shoe-manufacturing industry of the country. I am not going to take up your time, gentlemen, but will only say that I used my best efforts to bring

these resolutions before the committee and before the Board.
[Applause.]

Mr. GODLEY, of Philadelphia.—I think it would be a great mistake for this Board, with its present small attendance and in the very short time till our final adjournment, to pin itself down to such a recommendation as is contained in the report of the committee. I hope it will not be sustained.

Mr. DOUGLAS.—On looking over the present attendance, I find that there are more gentlemen present this minute than at any time when any resolution has been presented since I have been in attendance.

Mr. GODLEY.—I think that is a mistake.

Mr. DOUGLAS.—Except when we first met. It is perfectly well known that the leaders of both the Republican and the Democratic parties of the country have stated positively that tariff revision will have to come. Now, as Mr. Wood says, this commission is to meet, to investigate, to travel and is to present to Congress its recommendations. Mr. Wood is perfectly right in saying that Congress must act on those recommendations before they become law. So it can certainly do no harm to have as much light thrown on this subject as possible before Congress does act. I therefore hope the recommendation will be indorsed.

Mr. HAUPT, of Philadelphia.—I would like to know whether the scope of the resolution is broad enough to include reciprocity.

Mr. DOUGLAS.—We have another resolution on reciprocity, which I will present.

The resolutions were adopted.

Mr. DOUGLAS.—The committee decided to present a resolution in connection with reciprocity. I will state that we took without change the resolution which was passed by the Boston Chamber of Commerce, and which is on our programme, as follows:—

Resolved, That the National Board of Trade respectfully petitions the President and Congress of the United States to take immediate

steps to bring about trade treaties between the United States and other countries upon broad business principles of reciprocal concessions.

Mr. HAUPT.—I move the adoption of that resolution.

The motion was unanimously agreed to.

CONSULAR SERVICE.

Mr. HAMLIN, of Boston.—I desire to present the report of the Committee on the Consular Service:—

WHEREAS, We commend the action of the Fifty-ninth Congress tending to the improvement of our Consular service, but consider further legislation is necessary to place this important branch of the Government on the high plane of influence for the benefit of our foreign trade that is demanded by our citizens; therefore be it

Resolved, By the National Board of Trade that Congress be urged to enact laws providing that the merit system shall be extended to all branches of the service, and that Consuls shall be promoted, as vacancies occur, as far as possible from the lower to the higher grades;

Resolved, That Congress should provide for a school for the education of those desiring to enter the diplomatic and consular service;

Resolved, That an advance in the salaries paid our Consuls is absolutely essential and will tend to the benefit of the service. Also that an annual appropriation shall be made by Congress for the purpose of purchasing permanent official residences abroad.

I move the adoption of these resolutions.

Mr. WALDO SMITH, of New York.—That is directly in line with what we have adopted for several years. I think we ought to have gone farther, and I hope that some day we shall strongly recommend for this service the establishment of a training school, like those for the army and navy, at West Point and Annapolis—a school that will be correspondingly successful in its results for the increase of our foreign commerce, because, as stated last night at the banquet, that is one of the most important questions that has ever come before us. I hope in a few years to see our Consular Service put on a footing equal to that of our army and navy. [Applause.]

Mr. GIBSON, of New York.—I do not know, Mr. President, whether the inefficiency of our present consuls has any particular relation to their salaries, but there are many things

that are required of them by the regulations of the Department which they do not do. I do not know how many gentlemen here are interested in the consular reports, but those who are will notice that reports are printed and sent out through the Department of Commerce and Labor relating to commercial matters that may be considered to be like some volcanoes, absolutely extinct. A commercial report of value must be based upon conditions that are presently interesting, and not upon conditions that existed a year ago. You will find that many of the consuls—more than half of them—never make any reports at all; that a high-priced consulship, like that at Havana, where the consul receives \$10,000 a year, makes no report sometimes for a whole year. So that when the whole annual book is put out it often relates to—and when I say “often” I mean a large part of the book relates to—and concerns only matters existing a year, and sometimes two years, preceding the publication of the book. I think the consular service might be considerably reformed in that regard.

The PRESIDENT.—The consular service has improved and much of that improvement is due to the National Board of Trade, and the Secretary of State has recognized the influence and power of this Board.

When in Europe last year I visited many consulates and in some I found most earnest business men. The consul at Milan, Italy, is working in the interests of commerce and has succeeded in increasing trade between Italy and America.

We need more intelligent and up-to-date consuls everywhere, good consuls, business men, Americans, fully awake to the commercial requirements of our country for the increase of our commerce.

The resolutions were adopted unanimously.

INTERSTATE COMMERCE.

Mr. GODLEY, of Philadelphia.—I now present the report of the Committee on Interstate Commerce:—

Your Committee on Interstate Commerce and Railroad Transportation beg to report as follows:—

Resolved, That the National Board of Trade recommends to the Congress of the United States such amendments to the Interstate Commerce Commission Act as will permit proper railroad traffic agreements, such agreements to be inoperative if disapproved by the Interstate Commerce Commission;

Resolved, That the National Board of Trade deems that it would be highly inexpedient for the Government, State or Federal, to take under consideration at this time any proposition looking to the acquisition or operation of our railways.

PHILIP GODLEY, *Chairman*;
N. B. KELLY,
H. C. REYNOLDS,
E. R. CARHART,
H. T. NEWCOMB,
CLINTON WHITE,
SAML. G. DOUGLAS.

That report is unanimous. I think all I need to say in connection with this is that these resolutions are simply a reiteration of the same action taken by the convention last year.

The resolutions were adopted.

FORESTRY AND IRRIGATION.

Mr. VROOMAN, of Philadelphia.—I am sorry, Mr. President, that Mr. HARVEY, who was associated with us, is unable to be present this morning to submit this report from the committee. There were five members of the committee, but only four were present, and those four have unanimously agreed to the following report:—

January 22, 1908.

To the National Board of Trade:—

The Committee on Forestry and Irrigation beg leave to present the following report:—

Your committee in reviewing the consistent policy of the National Board of Trade, feel that you are to be congratulated on the results of its educational efforts. National forests have been created, as shown in the following data:—

Fiscal Year.	Area of National Forests (Acres).	Appropriation.	Actual Cost of Administration.	Receipts from Sale of Timber, etc.
1901	46,410,209	\$88,520.00		
1906	106,999,423	1,190,419.78	\$956,999.67	\$767,219.96
1907	150,831,665	1,790,678.79	1,455,329.10	1,571,059.44
Surplus, 1907, \$115,730.34.				

10 per cent. of net receipts returned to States in 1906....	\$75,510.18
10 per cent. of net receipts returned to States in 1907....	153,032.19
The following is the Forest Service force	1,390
Administration in Washington	54
Clerical, sub-clerical and mechanical, in Washington	417
Technical with headquarters in Washington	159
Inspection (in the field)	37
Total	2,057

Reclamation and irrigation of arid lands is making thousands of desirable homes, and the nation's natural resources, which are its most valuable asset, is becoming known and appreciated. Forest schools have been established; but many more capable men are needed, for we find the forests are still being rapidly cut in a wasteful manner, that a continuation of this course will result in a timber famine, the annihilation of our waterpowers, floods disastrous to our bottom lands, and obstructions or rivers and harbors by sedimentation. We endorse the following valuable testimony:—

"We have made a beginning in forest preservation, but only a beginning. The country is unquestionably on the verge of a timber famine. The only trouble with the movement for the preservation of our forests is that it has not gone nearly far enough, and was not begun soon enough. It is a most fortunate thing, however, that we began it when we did. We should acquire in the Appalachian and White Mountain regions all the forest lands that it is possible to acquire for the use of the nation. These lands because they form a national asset, are as emphatically national as the rivers which they feed, and which flow through so many States before they reach the ocean.

THEODORE ROOSEVELT, *President.*"

"It is an absolute principle; no forests, no waterways. Without forests regulating the distribution of waters, rainfalls are at once carried to the sea, hurried sometimes, alas! across the country. After having devastated the neighboring fields, the rivers find themselves again with little water and much sand; and with such rivers, how will you fill your canals? The question is as clear as can be; do you want to have navigable rivers, or do you prefer to have torrents that will destroy your crops and never bear a boat? If you prefer the first, then mind your forests. We can tell you, for we know.

"If the Mississippi is the father of waters, the forest is the father of the Mississippi.

M. J. J. JUSSERAND, *Ambassador from France.*"

WHEREAS, The great natural resources are being dissipated for the purpose of present profit without regard to the future; and

WHEREAS, The ordinary exercise of business methods, and our duty to the generations of Americans who follow us, demand that all natural

resources should be protected and utilized consistent with the most intelligent methods; and

WHEREAS, The continuation and development of foreign trade in manufactured goods depend largely on our ability to produce at the minimum of cost, it is therefore of vital importance that the waterways and waterpowers of the Southern Appalachian and White Mountain regions, where hundreds of millions of dollars are now invested in manufacturing enterprises, shall be conserved and perpetuated by protecting the forest cover of these regions; therefore be it

Resolved, That the National Board of Trade commends the policy of the administration in the preservation of the national forests, and redemption of arid land by irrigation, and recommends the increase of forest ownership and control by establishing the proposed Appalachian and White Mountain reserves, and recommends that the present session of Congress shall take favorable action thereon; that it also especially recommends that measures for reforestation be urgently pushed forward; it is also further

Resolved, That the National Board of Trade, appreciating the importance and value of accurate information as to the timber resources of the United States, recommends that such information be acquired through the cooperation of the Census Bureau and the Forest Service, by the Census of 1910.

Resolved further, That the National Board of Trade again urges upon Congress, as was done in the last message of the President to that body in relation to public lands, that it should, without further delay, pass the legislation necessary to carry into effect, fully and effectually, all the recommendations of the Public Lands Commission, as made in their report heretofore approved by the President, and by him laid before Congress.

Respectfully submitted on behalf of the committee.

I move the adoption of these resolutions.

The PRESIDENT.—Before this comes to a vote, gentlemen, with your kind permission the Chair has asked Mr. Maxwell, who is an authority on irrigation, to come here this morning and say a few words which will be of interest to us. The Chair now has the pleasure of introducing Mr. Maxwell.

Mr. GEORGE H. MAXWELL.—All that I can say with reference to the resolutions, Mr. President and gentlemen of the Board, is that I heartily indorse them. I am sure every one who is interested in forestry or in the reclamation of the public lands will indorse every word of the report and resolutions.

The National Board of Trade has been for so many years an earnest and consistent advocate of a great National forestry and irrigation policy, and so much progress has been made along the lines that you have favored in your resolutions in the past, and I am sure you will be interested to know somewhat more in detail the exact facts showing *what remains to be done* to insure the full success of the movement for forestry, irrigation and the necessary reforms in the public land laws.

So far as the one question of the reclamation of the arid lands which can be accomplished under the National Irrigation Act is concerned, that work is going forward under that law with all desirable expedition and with the most admirable success in every phase of the work as it progresses. I believe that no department of the National Government has ever accomplished so much of far-reaching importance in so short a time as the department in charge of the construction work under the National Irrigation Act, which begun under the Geological Survey, and is now separately organized as the United States Reclamation Service.

A statement recently issued contains a summary of their work for 1907 and sets forth the following facts:—

WORK OF THE RECLAMATION SERVICE

A summation of the work of the Reclamation Service for 1907 shows that it has dug 1,815 miles of canals, or nearly the distance from Washington to Idaho. Some of these canals carry whole rivers, like the Truckee River in Nevada and the North Platte in Wyoming. The tunnels excavated are 56 in number, and have an aggregate length of 10¾ miles. The Service has erected 214 large structures, including the great dams in Nevada and the Minidoka dam in Idaho 80 feet high and 650 feet long. It has completed 670 headworks, flumes, etc. It has built 611 miles of wagon road in mountainous country and into heretofore inaccessible regions. It has erected and in operation 830 miles of telephones. Its own cement mill has manufactured 80,000 barrels of cement, and the purchased amount is 403,000 barrels. Its own saw mills have cut 3,036,000 feet B. M. of lumber, and 23,685,000 feet have been purchased. The surveying parties of the Service have completed topographic surveys covering 10,970 square miles, an area greater than the combined areas of Massachusetts and Rhode Island. The transit lines had a length of 18,900 linear miles, while the level lines run amount to 24,218 miles, or nearly sufficient to circle the earth.

The diamond drillings for dam sites and canals amount to 66,749 feet, or more than 12 miles. To-day the Service owns and has at work 1,500

horses and mules. It operates 9 locomotives, 611 cars and 23 miles of railroad, 84 gasoline engines and 70 steam engines. It has constructed and is operating 5 electric light plants. There have been excavated 33,419,222 cubic yards of earth, and 4,745,000 cubic yards of rock. The equipment now operated by the Service on force account work represents an investment of a million dollars.

This work has been carried on with the following force: Classified and registered service, including Washington office, 1,126. Laborers employed directly by the Government, 4,448; laborers employed by contractors, 10,789, or a total of all forces of 16,363. The expenditures now total nearly \$1,000,000 per month. As a result of the operations of the Reclamation Service eight new towns have been established, 100 miles of branch railroads have been constructed, and 14,000 people have taken up their residence in the desert.

This splendid progress under the National Irrigation Act is having an unfortunate effect in some ways on the public mind. The business men of the country, as a rule, seem to think that no further action on their part is necessary.

Nothing could be farther from the fact.

The National Irrigation Act has provided a fund of about \$40,000,000 for construction and it is being expended to build twenty-seven great Government irrigation systems in fifteen different States and Territories. The total acreage that they will reclaim is about 3,000,000 acres.

That looks large, and is large, unless you compare it with the total area capable of reclamation.

Then it looks very small.

It is not one-twentieth part of the entire area of arid public land that can be reclaimed by irrigation in the West.

The Secretary of the Interior has estimated the area of arid public land capable of reclamation at 75,000,000 acres. That leaves over 72,000,000 acres yet to be reclaimed.

There it lies, now waste and desolate, but ready for reclamation and tillage, ready for the homemaker, whenever the people of the nation decide to redeem it for human habitation and use. That arid public domain comprises an area more than five times as large as the entire cultivated area of the Empire of Japan. In Japan 30,000,000 farming people derive a comfortable support from 12,000,000 acres of irrigated and intensively cultivated land.

A very large portion of this reclaimable area of our public lands lies in the drainage basin of the Missouri River and its tributaries. Consider the effect of its reclamation upon the floods of that river. When land is irrigated it acts like a sponge. Cover an acre of arid land two feet deep with water for irrigation and it will all sink right into the land. That is what is called two-acre feet of water, and it is about the amount used for the irrigation of ordinary field crops for an entire year.

Now look at the flood question.

In the single State of Montana there are no doubt at least 8,000,000 acres susceptible of irrigation. Ten millions acres are a comparatively small part of the whole irrigable area of the Missouri River basin. Cover that area two feet deep with water and you have 20,000,000 acre feet of water.

Do you realize that 20,000,000 acre feet of water would spread out over an area of 3,125 square miles ten feet deep, or make a flood over six miles wide and five feet deep through a valley 1,000 miles long—practically the distance from St. Louis to the Gulf of Mexico?

That water now runs to waste down the Missouri River in the various floods and periods of high water during the year. It increases the danger of every flood in the Missouri River. If it were taken out into great canal systems and used for irrigation and the land saturated with the water, the *earth-sponge* would first absorb it. Then it would gradually seep through the soil and a large part of it would drain back into the river at low water when it could be used for navigation, instead of wasting to the ocean in floods as it does now.

What is being done with the vast area of public land in the Missouri River Valley that would furnish the needed *earth-sponge* to thus regulate the flow of the Missouri River control the floods and furnish water when needed for navigation?

We have a great inland waterways movement under full headway and the slogan of a "Lakes to the Gulf Waterway" is arousing wide enthusiasm.

Are those who ought to be advocating the reclamation of this vast area of arid lands as an *earth-sponge*, or great artificial reservoir to hold back the floods and regulate the flow of the

Missouri River, paying any heed to that factor of their problem?

Are those who want to see the land reclaimed and settled with industrious farmers standing guard over this great estate of the whole people?

Are those who are laboring to develop the internal trade of the country as a source of National prosperity watching over this great land of promise to make sure that it is transformed into homes by farmers who will produce crops and buy goods of all kinds from merchants and manufacturers?

Most certainly they are not.

The report of the Public Lands Commission transmitted to Congress by the President on February 13, 1905, sets forth in detail the monstrous evil for which it points out the remedies, and closes with these ominous words:—

“The fundamental fact that characterizes the present situation is this: That the number of patents issued is increasing out of all proportion to the number of new homes.”

What has Congress done to end this situation?

Nothing!

The sentinels who should be on guard to protect the splendid estate of the people in the public lands from being wasted and stolen are *asleep at their post*.

And why are they asleep?

Because the people themselves are asleep!

Who is there who has heeded the oft-repeated warning of the Secretary of the Interior, the President and the Public Lands Commission?

Have the commercial, manufacturing and trade associations of the country risen in protest against this wanton sacrifice of trade development in the near future?

Have any appreciable number of business men individually interested themselves to prevent this great set-back to our National progress?

They certainly have not.

The protests of the Secretary of the Interior have been utterly disregarded by Congress.

The appeals of the President in his message for the reform of the public land laws have been made to deaf ears.

The warnings and recommendations of the Public Lands Commission have gone unheeded.

All public interest in the subject seems to be dead.

The public is not so much to blame, because they do not understand the situation.

They have been lulled to sleep by two wrong assumptions. They believe, first, that the whole problem of the reclamation of the arid region is covered and solved by the National Irrigation Act; and, second, that the criminal prosecutions against land grafters have put a stop to land stealing.

Both these assumptions are stupendous blunders and are resulting in enormous National waste and loss, but the land grabbers are lying low and encouraging by every device this misconception in the public mind.

In the meantime Congress does nothing, and the land grafters who are cunning enough to operate without a criminal violation of laws framed to encourage theft, are day after day reaping the harvest of their speculative greed at the expense of the people at large.

The land grafters are like the thief described by Dickens:—
“*All they axe is to be let alone.*”

So long as Congress sleeps they can steal.

Secretary Hitchcock in his last annual report sounded a warning against the idea so prevalent that court prosecutions have stopped land stealing. He said in that report, referring to the Timber and Stone Act, Desert Land Act and Commutation clause of the Homestead Act:—

“Until, therefore, the opportunities afforded for the fraudulent acquisition of public lands are removed by the repeal or modification of those measures, the Government may expect to expend its money and energy in apprehending and convicting those seeking to defraud it out of its public lands.

I accordingly renew the recommendations that I have made for the past five years, that the above-mentioned laws be repealed or modified.”

The President in a special message to Congress in December, 1906, urged upon that body that the laws referred to above by Secretary Hitchcock should be promptly modified to prevent further spoliation of the public domain.

Congress did nothing except to pass an act limiting the power of the President to create forest reserves, and thereby voted to facilitate the theft of what public timber land there is left under the Timber and Stone Act.

In his last message to Congress the President reiterated these recommendations, but still Congress does nothing.

Secretary Hitchcock, in December last, since his retirement from office, delivered an address at a banquet of the Chicago Commercial Club, in which he said:—

"I would urge the immediate repeal of the Timber and Stone Act, the Desert Land Act, and especially the eighth section of the Homestead Law, by resorting to all of which the grossest frauds have been, *and are being perpetrated*, as was shown by my last annual report for the fiscal year ending June 30, 1906."

But nothing is done to repeal them, because Congress apparently does not care how much land is stolen, and the people are deluded into the belief that all the land thieves are going to jail, and that for that reason there is no necessity of anybody doing anything, except to be interested by reading the newspaper accounts of the land fraud prosecutions and approve them.

So long as the laws remain as they are, the stealing will continue until the last acre of the public land is gone.

And the National Irrigation Act has no effect at all upon that situation.

The conditions as they exist, in a nutshell, may be stated as follows:—

The total area of reclaimable arid public land is 75,000,000 acres.

Of this total area, the National Irrigation Act may reclaim 5,000,000 acres, possibly, in this generation.

If the Western politicians are left to their own devices they will end by securing a repeal of so much of the law as requires the repayment of the cost of the great works by the land reclaimed, and the fund once invested will be invested forever.

The only way to checkmate this scheme is for the business interests of the country to keep alive their active interest in the work and be ready to meet such a movement when it comes by organized opposition.

That brings us to the question:—

What is to be done with the 70,000,000 acres of arid public land that will not be reclaimed under the present National Irrigation Act?

Something must be done if it is to be rescued from speculators and saved for National reclamation and close settlement.

The general public seems to think that the National Irrigation Act will do it all and that no public interest is necessary.

As a consequence, the land is being rapidly absorbed into private ownership for grazing purposes, or in the expectation that in future years Uncle Sam will have to reclaim it to make homes on the land for his children, and that if it is absorbed by speculators now, they will reap their reward at the public expense when that time comes in the future. They can afford to wait.

Unless prompt action is taken for the repeal of the laws under which these lands are passing into private ownership in this way, the most splendid opportunity that any nation ever had to carry out a great public work will be wasted—a work that would accomplish the double purpose of enormously facilitating inland navigation and at the same time protecting the lower river valley from overflow, and reclaiming millions upon millions of acres of arid lands in the upper valleys for agriculture and settlement.

As matters now stand the speculators are sleeplessly active, while the business men, whose interests are being jeopardized, are sitting still and doing nothing. The deadly inertia and apathy of the public is the golden opportunity of the land grafters in the West. They are absorbing the 70,000,000 of acres of irrigable arid public lands that are capable of reclamation by the Government, into private ownership for speculative purposes, or in order to build up great grazing estates, so that within a generation from to-day those lands will be nothing but ranges for stock, when they would otherwise be densely populated and utilized for valuable irrigated farms. Every acre irrigated creates a reservoir to hold back water that would otherwise go down to aid the work of flood destruction. One acre may not store much water, but we have already shown the

enormous effect of an *earth-sponge* of 10,000,000 irrigated acres in the basin of the Missouri River.

The lands which are needed for that great *earth-sponge*, or artificial reservoir, to regulate the river flow are now the property of the National Government. It can go ahead at any time and utilize the lands for that purpose by reclaiming them for irrigation, cultivation and settlement. If they are allowed to pass out of Government control into private ownership, as is now so rapidly being accomplished, the Government will have to buy them back at the enormously increased valuations that the future will create, or will be compelled to build great public works for the benefit of private lands, or let the land remain a desert forever, and let the floods continue to waste to the ocean forever.

Of course, the probability that these lands will have to be reclaimed in the comparatively near future to make room for our fast increasing population, and the knowledge that it can only be done by the Government, is one of the chief temptations that prompts the speculator to absorb them into private ownership and hold them for future speculative profit.

The National Irrigation Act enormously stimulated land grabbing in the West, beyond all question, and the only way to put a stop to that land grabbing is to repeal the present laws under which it is carried on, and reserve every acre of public land that can ever be reclaimed by irrigation until it has been actually reclaimed and opened for settlement by the Government.

The adoption of an adequate forest policy by the nation is supremely urgent. It is conceded that our present National supply of wood and timber will not last for a generation.

What are we to do about it?

There is one thing that must be done about it and that is to conserve and perpetuate by right use every acre of forest land that now belongs to the National Government. Not another acre of it should ever be allowed to pass into private ownership. It should all be embraced in forest reserves and the matured timber harvested from year to year, leaving the young timber to grow and perpetuate the supply through all future years.

Let all that be done and it will not come anywhere near supplying the needs of the country for lumber. There is only one way to provide a supply of wood and timber that will keep pace with the rapidly increasing demands of this country, and that is for the National Government to go right out and buy the land in every State and Territory where there are now no public forests, and establish or plant them without delay. Where there are no trees the only way to get timber is to plant trees.

Of course, the White Mountain and the Appalachian forest reserve bill should be passed, but that is only a drop in the bucket compared with what must be done.

From Texas to Maine and from Minnesota to Florida forest plantations must be scattered through every State of an area adequate to supply the local demands for wood and timber.

The treeless region of the west, extending from the Mississippi River to the base of the Rocky Mountains and from Canada to Mexico, including Texas, should be provided with ample forest areas by planting trees on all the land that is not better adapted to agriculture, or clearly more valuable for grazing than it would be for timber culture.

Which is more important to the people of this nation—that we should have a Panama Canal, or that we should have a supply of wood and timber for commercial and industrial uses?

The latter is certainly the most important, and if we can afford to spend \$500,000,000 to build the Panama Canal—it will cost all of that before we get through with it—we can better afford to spend \$500,000,000 to plant forests and provide the country with a perpetual supply of wood and timber.

The fact that the land would have to be bought by the National Government in the eastern half of the United States and in Texas for that purpose does not affect the question any more than the necessity for purchasing land for the purpose would affect the necessity for the construction of a permanent military camp or fortress. The greatest menace to this country to-day is the destruction of its forests. It is a danger far greater than any future possibility of foreign conflict or invasion.

And if we did not know it to be a fact, it would stagger human belief that with this great menace facing the country, Congress had legislated in the last session to limit the power of the President to reserve the public lands for forests and refused to do anything to stop their waste under the Timber and Stone Act.

It is hard to understand why there is so little public interest in these questions. One would naturally suppose that the close relation of the forests to the question of water power would furnish the stimulus that would awaken an active interest. But it does not. As a question of vast National importance, the value to the people of the power latent in our streams and of its preservation, and of accurate knowledge in relation to it, seems to be ignored by the majority of Congressmen.

A good illustration of this was the action of the House of Representatives in trying to destroy the work of stream measurement by cutting off the appropriation of the Hydrographic Division of the United States Geological Survey, which they did in the last two successive sessions of Congress before this session. The Senate refused to concur and the appropriation was restored, but it has been reduced from \$200,000 to \$100,000, which greatly cripples the service.

This work of stream-flow measurement, in connection with the topographic surveys, both conducted by the Geological Survey, is the extensive preliminary work carried on for years by that bureau which enabled the reclamation service to commence actual construction almost at once following the passage of the National Irrigation Act. Had it not been for the river studies of the hydrographic branch and for the topographic surveys prosecuted for years prior to the passage of the irrigation law, it would have been necessary for the reclamation service to have undertaken a series of investigations that would have occupied at least five years before a single shovelful of dirt could have been dug or a stone laid in canal or dam construction. It is of vital importance in connection with all irrigation, drainage, flood protection or prevention, river regulation for navigation, water-power construction and municipal water-supply problems to have a full and complete knowledge of the

streams of the United States and their many tributaries, as well as a survey of the surrounding topography.

It has been the policy of Congress in general during the past generation at least to fritter away our great natural resources, our splendid land equipment, our magnificent public forests and our great water resources—things that belonged to the people—and allow them to pass into the hands of speculators and monopolists, and this last word is used advisedly. There seems to be coming, however, something of an awakening throughout the land and there is evidence of a slight reflection in Congress; here and there a Senator or a Representative favors conservatism of what remains of National resources; but it is going to take a mighty public sentiment, a far stronger one than is yet in evidence, to jar loose the virus of indifference and sloth on these subjects which seem to have fastened itself on the majority of that body.

If the business men of the nation understood the way in which the National resources of this country are being wasted under laws which the Public Lands Commission, the President of the United States and the Secretary of the Interior have again and again, again and again recommended to Congress should be repealed they would rise up *en masse* and there would be indignation meetings held all over the United States to insist that the recommendations of the President, of the Secretary of the Interior and of the Public Lands Commission for the repeal of the Timber and Stone Act and for the repeal of the commutation clause of the Homestead Act, and for the modification of the Desert Land Act should be acted upon by this Congress. It is not going to be done, and the reason why is because there is no positive, absolutely aggressive and affirmative interest taken in the subject by the business men of the country.

"Distance lends enchantment to the view."

You look abroad to foreign lands for markets, you spend hours in your convention discussing all that relates to the world's commerce, but how little time or thought is given to these great questions of constructive policy at home, the preservation of our own National resources and the devotion of them to the purposes of industry and commerce.

Just now we are possibly moving away from, and trust that we will soon have behind us, a period of financial depression. We all hope so, but no man absolutely knows it. Is there any financial depression in those sections of the West where the Government is building these stupendous irrigation works, on which it is now spending \$40,000,000? Certainly not. The men are still at work there. The business must go on. The supplies and materials must be purchased. You cannot stop the prosperity there, and the moment that water touches the desert the fruits of the earth spring up and are turned into money. That inevitably makes all kinds of business active and prosperous in these places. If the business men of the country would get together in time they could check in its very inception any coming period of depression, simply by starting up on a larger scale the business of reclaiming arid lands and supplementing that business by the planting of new forests all over the United States.

It is a spectacle of which this nation may well be ashamed, that with the water power necessary for the great industries of New England and the South dependent upon the creation of the Appalachian and White Mountain forest reserves, Congress seems to stand dead at the door of action. Nothing is done year after year. Within the last two months I heard the vice-president of the largest water-power company of the South state in a public address at Atlanta that the conditions of the Southern streams were getting to be so bad that it was almost impossible to get contractors to take contracts to build the dams and works necessary for electric power purposes, and that those conditions were becoming worse and worse every year. I state that as coming from one who knows, if any one knows.

I said to the National Association of Manufacturers of New York, when they gave me fifteen minutes to talk forestry to them at their annual meeting last July, you will find what I said in their last annual report—and I wish every man here would get a copy and read it—that in their three days' convention the only moments that they gave to the consideration of these great questions of internal markets, business and trade, and the preservation of National resources, was that fifteen

minutes in which I talked to them on forestry. The balance of the time was given to the consideration of things which, while not being merely transitory in importance, are yet things which you can change altogether in one year's time. When a tree is gone you have got to grow another, and that requires many years. When a stream is destroyed you cannot restore it in a generation unless you plant trees.

Now, your children and mine will be without wood and timber within their lifetime, if not within ours. What sort of a policy is that for a nation of 80,000,000 people to pursue, having such splendid natural resources, flattering ourselves that we are the most intelligent nation on the face of the earth, to sit down and deliberately, through pure indifference and apathy, allow things to be done which are simply destroying the very sources of the prosperity upon which we all depend.

It is one of the most extraordinary and incomprehensible things in all the history of the human race. [Applause.]

The PRESIDENT.—The Chair feels sure that we are very much indebted to Mr. MAXWELL for his speech. It has given us a great deal of information and much food for thought.

Mr. VROOMAN.—In order that gentlemen may know something of the resources of the country in regard to forestry, I will say that the largest estimate I have seen of the amount of standing timber—and it was only a guess—was 400,000,000,000 feet. It is very important to know how long that timber will last. The records show that in 1906 37,500,000,000 feet of timber was cut, to say nothing of the quantity of timber that went into the form of shingles and lath, and to say nothing of the quantity that was used in the manufacture of pulp for paper. It is stated that 50,000 acres per year of timber lands are denuded to furnish pulp for paper used in this country. Unless a reform be instituted, practically and immediately, this country will not be in a state of famine, for it is almost there now.

I am in the lumber business and am now paying twice as much for lumber as I paid some years ago, and even then it is almost impossible to get it. Some years ago I bought a tract of land up in the State of Pennsylvania from a lumberman, and

I said to him, "What is the prospect of this timber lasting?" He replied, "We have enough white pine in Pennsylvania to last 100 years." It has been gone for years, and white pine has to be shipped to Williamsport from the South, Williamsport being in the centre of the white pine district of Pennsylvania. It is all gone, together with the other timber. Where is the timber of Michigan, Wisconsin and Minnesota? All gone.

What are we going to do? This matter of reforestation should be taken in hand by the Government, as well as by every State, and forests should be planted, nourished and cared for. Forest fires should be prevented in every possible way.

What we are asking the Government to do is not to spend money and get no return for it. The returns show that the Government has received a surplus above what has so far been devoted to that purpose.

Mr. REYNOLDS, of Scranton.—Perhaps I ought not to permit this opportunity to pass without saying a word. No doubt the gentleman who addressed us a moment ago is familiar with what I shall state.

Throughout the Pocono Mountain region in the State of Pennsylvania, comprising hundreds of thousands of acres, where once were fertile mountain lands the soil has been washed away by torrential floods, after being denuded of its forests by fire and waste, until rocks the size of that table have been exposed, so that it is possible, through miles of that territory, to walk over rocks without seeing any soil, except in the interstices.

The vast ice-producing interests in that region for the markets of Philadelphia and New York, in connection with the Lehigh Navigation Company, who have engineers and nurserymen, have formed an association for the protection of the growing vegetation from fire. That Pocono watershed furnishes a water supply to the anthracite coal regions on the western slope, and on the eastern slope furnishes the Lehigh Coal and Navigation Company with water for its system of water supply and power.

For many years I have been a member of the State Forestry Association of Pennsylvania and have taken a deep interest in this subject. One of the principal things that might be

done to help reforestation is to furnish tree supplies to individuals desiring to plant trees. As a personal experiment, I sent to Osage for 200 trees. The nurserymen had not put enough moisture about the roots and four-fifths of them were dead when they reached me. I planted them myself with care, and out of the thirty or forty trees that I thought had a fair chance to survive, but ten lived. I made that experiment for this reason: I thought a practical knowledge obtained by a person who advocated forestry was more valuable than the theory of one who had exhaustively studied the subject.

But I think a practical solution of the difficulty is, first, that the State or the National Government ought to exempt from taxation plantations devoted exclusively to the growing and use of forest trees. Some of you gentlemen are no doubt interested in the Pennsylvania State Forestry Association. Every man taking an active interest in this important subject ought to ally himself with such an association.

Again, it seems to me that another practical solution would be for the State or the nation to provide that upon the withdrawal of trees other trees should be promptly planted, at a fair and reasonable cost, and charge for delivery of trees in good condition for that purpose. This plan would lead to prompt reforestation. In Pennsylvania only a few years ago, as gentlemen will acknowledge, there was no systematic plan for the reforestation of vast tracts of land otherwise valueless. In conversation with a leading representative man, a lawyer by profession and a business man by occupation, I discovered that he did not know the first thing about reforestation. He had never studied tree life, how to adapt a tree to its environment. So they were denuding thousands of acres every year and destroying both the forest and prospective value of the land, although by adopting a proper system of cutting and replanting they could actually increase the value of that land every year.

A pamphlet of four pages would be large enough to include the names of almost every man in the Commonwealth of Pennsylvania who is apparently willing to give \$2 for the "Forest Leaves" and devote himself to that study. Although the company was few and select, that body of men in the Com-

monwealth of Pennsylvania, starting ten years ago, has led to the purchase of thousands and thousands of acres, has led to the scientific study of forestation and to the reforestation and care and protection of growing trees and saplings throughout the Commonwealth. It has led also to the enactment of laws exempting, in part, the remaining forests from taxation, and has encouraged the replanting of trees.

I would like to ask the gentlemen if we would not be moving toward a solution of the question if we had two things: bringing the tree next to the man who wants to plant it and giving him, through every means possible, the fullest information as to how to make that tree grow and develop in the shortest possible time.

My attention has been called to the fact that 1,400 trees may be planted to the acre. A practical nurseryman was willing to put 1,400 Norway spruce trees to the acre if I would furnish the land. He said that at the end of the first five years they would afford a continued source of revenue.

A second view of the subject—and it may be the selfish view—would be to take off the tax on imported lumber, so that our own forests would be preserved, while the lumber from the forests of Canada could be used.

Mr. MAXWELL.—The idea of bringing *the tree next to the man* is a wonderfully good suggestion, couched in a phrase that we might almost make a shibboleth. It seems to me that the great difficulty in connection with this whole problem is the lack of a concrete system for getting action. There is no lack of interest in the subject when it once gets before the people, but the getting of the tree next to the man is where the difficulty comes. Anything and everything that will aid that purpose which can be done by State or local organizations, by municipal or county organizations or by the nation, should be done. The problem must be brought home to the landowner, to the woodcutter, to everybody. Induce everyone to plant a tree where one has been cut, to plant trees where there are now none and keep them growing. We should make every effort to induce and encourage tree planting by showing that it can be done with a profit. We need not do it just

as Germany does it, as a matter of law absolutely. It should be done, not only under the law, but by demonstrating that it is to the advantage of everybody that it should be done. All would favor and help the work if they knew the advantages that would result from it.

Now, I want to say a word about the other question as to taking the tariff duty off lumber. That is a subject on which there is a great deal to be said on both sides. I have always advocated free lumber, believing that it would tend to preserve our own forests. But there is another side to it, and that is this: If our Government should take off the tariff to-morrow the common idea is that all the great forests of Canada would be thrown open for us and that we could get our timber and lumber there. But my belief is that in that case Canada would immediately put on an export duty, and then we would stand exactly where we were before, except that Canada would get the tariff revenue. I may be wrong. That is merely my own supposition.

Mr. READ, of Washington.—It has done it heretofore.

Mr. MAXWELL.—It has happened that way in more than one instance, I think, with other countries.

I want to say, continuing my answer to the gentleman's second question, that I do not believe taking off the tariff on lumber would solve the question at all. I believe we have got to stand right up face to face with ourselves as before a mirror and recognize the fact that we must produce our own timber within the limits of our own country. There is no other way to do it. We may as well recognize that fact at one time as at another.

I have followed the work of the National Board of Trade very closely for the last seven or eight years and I want to say to you that it was the first organization—as my friend, Mr. HITCHCOCK, here, well remembers—of all the National organizations in this country to launch the National irrigation and water storage movement, which has grown to such enormous proportions. [Applause.]

When I first met Mr. H. R. WHITMORE, of St. Louis at the Trans-Mississippi Commercial Congress at Wichita, and he

showed me a copy of your records, of at least ten years ago, in which the report and resolutions urging National water storage and irrigation were set forth in a most elaborate report by a committee, which they had taken a year to prepare, I thought to myself, how much goes on of which we in the West have never heard.

I want to say now that if this National Board of Trade had never accomplished anything else but that one thing it would have been sufficiently justified for all its expenditures of effort and money. There is no doubt about that.

There is this difficulty in this whole question of forestry, irrigation, drainage, water power and the creation of artificial inland waterways for navigation. It is all one subject. Let me state that again. All these questions are one subject, and you cannot separate them when you come down to the fundamental factors in the problem.

The difficulty I refer to is this: For forestry we have one association, for inland waterways another, for irrigation another, for drainage another, and for navigation of rivers and harbors you have another. There is no co-ordination of these great questions in the public mind, although nature has created them inseparable.

If the National Board of Trade would rise to the occasion and be the one organization to recommend a great National constructive policy which would co-ordinate and include all those subjects, recognizing the fact that the drop of water that falls on the crown of the continent in Montana at last flows past New Orleans into the Gulf of Mexico, and that the problem of every river extends from its mouth to its source and embraces forestry, irrigation, drainage and navigation, if this National Board of Trade would be the organization through which all these questions could be co-ordinated and placed before the people as one policy and then, when you have formulated the policy, carry it from this central organization back to your constituent Boards of Trade and let them take up the National policy formulated by this Board and push these great questions forward by the active support of your local Boards of Trade or constituent bodies, you would furnish machinery for accomplishment that is much needed.

Let your plans be broad enough to include everything, how to bring the trees to the man, how to preserve the forests, how to reforest and how to plant new forests, making a great National campaign of it. The thought should go out from all these local organizations to the whole 80,000,000 people of the nation. If that were done, the National Board of Trade would rise to a point where its influence would be the most broadly beneficial to the country. The truth is that wherever there is oppositon to this proposition it is so selfish, so narrow, that the moment it stands in the limelight of publicity it vanishes, because it cannot stand in the face of public criticism.

This is a subject upon which you can unite the whole nation. It is not like other questions upon which there are honest differences, and very strong differences. Practically everybody agrees on this one great question of the preservation and utilization of our National resources. All you need is to co-ordinate the whole subject and have a concrete, fixed policy as to exactly how it should be done, and then take it from this organization back to the local organizations and "get busy." [Great applause.]

Mr. REYNOLDS.—I would like to suggest, as an addition to the pending motion, that a committee be appointed to continue during the year to consider these questions and make its report at the next annual meeting.

The PRESIDENT.—Why not have the present committee perform that duty?

Mr. REYNOLDS.—I accept that suggestion.

Mr. VROOMAN.—I think every member of this Board should take the matter home with him and present it to his own association and get them to work. The lumber industry is the fourth in the United States to-day. If the destruction of our forests continues for five years, where will the lumber industry be? This demands immediate action.

The PRESIDENT.—The motion, as modified, is that the present committee be continued during the year.

The motion was agreed to, and the report of the committee was adopted unanimously.

Mr. VROOMAN.—I would like to have Mr. MAXWELL's name added to the Committee on Forestry and Irrigation, which, by motion, has been continued.

Mr. MAXWELL.—I have looked up the constitution, which says that an associate member shall not be permitted "to vote or participate in debate." That is apparently the only limitation.

The PRESIDENT.—It has been the rule that those who form our committees shall be regular delegates. At all times we will be extremely glad to call in Mr. MAXWELL to give his mature information and suggestions to the committee, and the Chair thinks Mr. MAXWELL will be willing to do that.

Mr. MAXWELL.—I shall be glad to give them any assistance in my power.

Mr. HITCHCOCK, of Scranton.—I want to move that Mr. REYNOLDS be added to that committee.

The PRESIDENT.—The Chair will add Mr. REYNOLDS to that committee.

Mr. GODLEY, of Philadelphia.—Mr. President, I have been so impressed with this whole discussion, and especially with the remarks of Mr. MAXWELL, that I think this is an opportune moment for this Board to inaugurate a movement to interest the whole country in this question, and therefore I would like to offer a motion that the executive officers of this Board be instructed to print this report and all the remarks that have been made upon this forestry question and send them to all the commercial organizations of the United States and to the Governors of all the States.

A DELEGATE.—To be printed in a separate pamphlet?

Mr. GODLEY.—Yes, sir.

The motion was agreed, and it was so ordered.

ORDER OF BUSINESS.

MR. TRUESDELL, of New York.—Mr. President, we all recognize the fact that it is very difficult after we adjourn to make our work effective.

THE PRESIDENT.—Unless we have active committees.

MR. TRUESDELL.—Unfortunately, our committees are not always sufficiently active after the adjournment of the convention, and it is a fact that the constituent bodies sending resolutions be acted upon by the National Board of Trade, even when favorable action has been taken here, apparently often take no further interest in those resolutions, for the consideration of which they have asked us to give our time and thought in the convention. I have, therefore, prepared a resolution, Mr. President, which I beg to submit for the consideration of the convention:—

Resolved, That whenever any constituent body submits a resolution for the action of the National Board of Trade, the President shall report back to such body the action taken by the National Board of Trade upon such resolution, with the request, when the action has been favorable, that the constituent body take such action as may be considered wise to accomplish the object of the resolution, and that they also, if possible, appoint a special committee to urge the resolution upon the appropriate committees of Congress.

The resolution was adopted.

ELECTION OF THE COUNCIL.

THE PRESIDENT.—Before anything further comes up for consideration, the Chair desires to read Sections 1 and 2, of Article VI, of our Constitution:—

ARTICLE VI.

MANAGEMENT.

SECTION 1. The direction of the affairs of this association shall be vested in a Council, acting through the Board of Managers, as hereinafter set forth.

SEC. 2. The Council shall be constituted as follows: There shall be as many members of the Council as there are constituent bodies in the

association. Each constituent body in the association shall be entitled to one member of the Council, who shall be elected at each annual convention, for a term of one year, commencing with his election. The nomination of the member of the Council for each constituent body shall be made by its delegation at the annual convention, but in the absence of such nomination or failure of a constituent body to designate its choice for the office, the convention shall nominate and elect. Vacancies in the Council shall be filled by appointment by the President, who shall first request nomination for the vacancies from the constituent body affected.

It has been our custom, immediately after the disposal of all the reports of committees, for the Secretary to call the roll for the purpose of having nominations made for members of the council. The Chair makes this announcement at this time in the hope that no member will go away who should be on the council. We want one man on the council from each constituent body, in order to finish up the business of the year and to carry out the provisions of the Constitution. Now, as the Secretary will call the roll let the delegates from each constituent body name the man that the delegation desires to be a member of the council for the ensuing year. The Secretary will now call the roll.

The SECRETARY.—As I call the roll it is the custom for each delegation to name a member who shall represent them in the council for the ensuing year, and if the council be not completed at the present time, the Secretary is empowered by the By-Laws to communicate with the different organizations and have them suggest members for appointment on the council.

The Secretary proceeded to call the roll. The following are the members of the council elected and appointed by the President as provided in Section 2, Article VI, of the Constitution:—

American Seed Trade Association, ALBERT McCULLOUGH.
American Warehousemen's Association, ALBERT M. READ.
Baltimore Board of Trade, E. B. HUNTING.
Baltimore Chamber of Commerce, CHAS. ENGLAND.
Boston Associated Board of Trade, FREDERIC H. VIAUX.
Boston Chamber of Commerce, CHAS. S. HAMLIN.
Boston Merchants' Association, JAS. RICHARD CARTER.

- Camden (N. J.) Board of Trade, WALTER WOOD.
Central Supply Association, SAML. H. MOON.
Chicago Open Board of Trade, FRED. C. HAMPSON.
Cigar Manufacturers' Association of America, MAURICE WERTHEIM.
Cleveland Chamber of Commerce, ALFRED CLUM.
Hoboken Board of Trade, EDW. H. HORWOOD.
Italian Chamber of Commerce (N. Y.), ANTONIO ZUCCA.
Kansas City Board of Trade, THOS. J. BRODNAX.
Knoxville Board of Trade, CAREY E. SPENCE.
Louisville Board of Trade, W. W. HITE.
Lynn (Mass.) Board of Trade, EVERETT H. DUNBAR.
Montgomery Commercial Club, G. GROSVENOR DAWE.
Nashville Board of Trade, E. S. SHANNON.
Nashville Grain Dealers' Exchange, SAML. G. DOUGLAS.
National Hardware Association of the United States, T. JAMES FERNLEY.
National Irrigation Association, W. S. WRIGHT.
New England Shoe and Leather Association, CHAS. H. JONES.
Newport News Chamber of Commerce, W. B. LIVEZEY.
New York Board of Trade and Transportation, G. WALDO SMITH.
New York Produce Exchange, J. P. TRUESDELL.
Norfolk Board of Trade and Business Men's Association, J. A. HALL.
North Side (N. Y.) Board of Trade, CHAS. E. REID.
Philadelphia Board of Trade, E. R. WOOD.
Philadelphia Commercial Exchange, EDW. L. ROGERS.
Philadelphia Commercial Museums, WM. S. HARVEY.
Philadelphia Trades League, FINLEY ACKER.
Pittsburg Chamber of Commerce, A. J. LOGAN.
Providence Board of Trade, FRANK A. FIELD.
Scranton Board of Trade, F. L. HITCHCOCK.
Springfield Board of Trade, C. HENRY HATHAWAY.
Syracuse Chamber of Commerce, FRANCIS E. BACON.
Toledo Produce Exchange, E. L. SOUTHWORTH.
Washington Board of Trade, A. P. FARDON.
Wilmington Board of Trade, WM. D. MULLEN.

FEDERAL INSPECTION OF GRAIN.

Mr. ROGERS, of Philadelphia.—Mr. President, the Committee on Federal Inspection of Grain reports as follows:—

WHEREAS, There are now pending in Congress bills authorizing the Secretary of the Department of Agriculture to establish a system of Federal inspection of grain intended to supersede the existing systems now controlled by the various States and commercial bodies of the country;

Resolved, That the National Board of Trade hereby records itself as unalterably opposed to the Federal inspection of grain, believing that the passage of any measure disturbing the existing systems of commercial inspection under which the grain trade of the country has been built up would be injurious to the best interests of the producer, dealer and foreign buyer.

CHAS. ENGLAND.
E. L. ROGERS,
J. P. TRUESDELL,
DANL. D. MORSE,
SAML. G. DOUGLAS.

The report of the committee was adopted without debate.

CORPORATION LEGISLATION.

Mr. CLUM, of Cleveland.—Mr. President, I want to preface the reading of the second resolution by saying that the thought of the committee was that, in view of the action of this National Board of Trade seeking to extend our commerce upon our waterways, and, indeed, to rehabilitate the American merchant marine, it seemed to be the feeling that we should have on the statute books of the Federal Government such general legislation as would enable corporations to be organized when essentially engaged in interstate and foreign commerce and with our insular possessions. This recommendation is made not with any idea of infringing upon the rights reserved to the States, but in order that a corporation engaged in the business of interstate commerce may have a Federal charter, under one of the express powers given by the Constitution to Congress to regulate commerce, and the purpose is not to add anything to what has been done, except that instead of having special legislation, as has been the case heretofore when companies have sought Federal charters from Congress by special

act, there might be a uniform law by which any group of individuals might receive a charter. The resolutions read as follows:—

Report of Committee on Corporation Legislation:—

WHEREAS, The prosperity of the United States is dependent upon its commercial activities, which activities no longer are confined to the limited areas within the several States, but essentially create interstate business too large for individual enterprise;

WHEREAS, Such commercial transactions necessitate incorporated capital which alone can adequately meet the public need and secure the greatest benefit to both labor and capital; now therefore be it

Resolved, That the National Board of Trade urge Congress to pass such legislation relative to the formation, capitalization, management and control of associations and labor engaged in commerce among the several States and with foreign nations and the insular possessions of the United States as shall preserve and promote individual initiative, competition and uniform legislation.

P. M. ESTES,
LOUIS MULLER,
E. A. KITZMILLER,
ALFRED CLUM,
Committee.

Your Committee on Corporate Legislation begs leave to report for adoption the following preamble and resolutions:—

WHEREAS, The National Board of Trade recognizes the value and importance of incorporated capital in carrying on the industries of the country and in the development of projects too large for individual enterprise; be it therefore

Resolved, That the National Board of Trade deplores and deprecates an unnecessary agitation which stirs up class hatred and feeling, and hereby expresses its confidence in associations lawfully organized and conducted in the interests of the public.

Resolved, That a copy of these resolutions be sent to members of Congress and to the influential press of the country.

LOUIS MULLER,
P. M. ESTES,
ALFRED CLUM,
E. A. KITZMILLER.

This report has received the unanimous approval of the committee, and I therefore move its adoption.

The report of the committee was adopted without debate.

EXPERIMENTAL COLD STORAGE PLANT.

Mr. READ, of Washington.—Mr. President, proposition CIX, on page 34 of the programme, from the American Warehousemen's Association, is for an experimental cold storage plant:—

WHEREAS, The Department of Agriculture is seriously hampered in its investigation of the effects of cold storage on the nutrient value and digestibility of food products by want of proper cold storage facilities; and

WHEREAS, These investigations are of the highest importance to the welfare of our nation in the determination of the time that each product can be preserved and the conditions under which it can be so preserved; therefore be it

Resolved, That the National Board of Trade hereby reaffirms and emphasizes its recommendation heretofore made: that the Congress appropriate a sufficient sum to enable the department to construct, properly equip and maintain an experimental cold storage plant for this purpose.

In relation to this I would like to say to gentlemen that the warehouseman of the country, through the American Warehousemen's Association, are furnishing gratis to the Government of the United States a very large amount of space for the carrying on of experiments, and have been for the last three or four years, so that the demands for experiments at the present time are growing beyond the capacity of the warehouses of the country in this regard. The Agricultural Department very much needs just such an experimental plant, and I move that the resolution be adopted.

The resolution was adopted without debate.

PURE FOOD AND DRUGS.

Mr. MARIANA, of New York.—Mr. President, there is an amendment to the regulations for enforcing the Pure Food and Drug Act, about which there was no committee appointed. I would like to have that matter considered, as it interests a great many importers throughout the United States.

Mr. HITCHCOCK, of Scranton.—What is the number on the programme?

The PRESIDENT.—Proposition CX, at the top of the last page.

Mr. MARIANA.—I hope this body will discuss this subject.

The PRESIDENT.—Read it, please.

Resolved, That the Food and Drug Inspection Board amend some sections of the regulations which are in open disaccordance with the spirit, and even with the text itself of the law, creating arbitrary and unconstitutional handicap to the import trade.

The PRESIDENT.—Mr. ZUCCA will please explain what is meant by this resolution. It seems to be quite a broad one.

Mr. ZUCCA, of New York.—The organization which we represent, the Italian Chamber of Commerce, was always in favor of, and we did our utmost for, the passage of the pure food and drug law, which was intended, I think to protect honest merchants. But three gentlemen, at the head of whom was Dr. Wiley, passed some regulations in which they went entirely too far, which really, I believe, is not constitutional, and is certainly not practical, and our Chamber of Commerce, with the help of Mr. MARIANA, want to undertake to knock it out.

The regulation I refer to was that all goods imported, no matter from what country, must have thereon a label in English. That was a good thing. I think people in the United States have a right to know just what they buy. I wrote a letter to Mr. LA LANNE on this subject and he has helped me. Suppose a particular kind of merchandise is short in supply in this market and I cable to Italy or France or Turkey for a supply to be forwarded immediately; I certainly cannot buy that supply in that country with an English label on. We want some relaxation of the requirements of that regulation which says the label "shall be in English." The storehouses in New York are full of merchandise that the Pure Food Commission will not send back. Take rice, for instance. Generally, rice is coated with glucose.

A DELEGATE.—What you call polished rice?

Mr. ZUCCA.—Polished rice. The regulations say that if the rice is coated with glucose all the bags of that rice shall be marked "coated with glucose." But the buyer who goes to the grocery to buy five pounds of rice does not see the bags, and it is impossible to have every little package marked "Coated with glucose." It seems to me that such a regulation shows a

lack of common sense. Now, Dr. Wiley is a gentleman of splendid sense, but it seems to me that sometimes he lacks practical ideas. Hence, Mr. MARIANA has presented this resolution in order to see if it is not possible to secure the influence of this Board of practical business men toward making these regulations more practical and involve less hardship to business men. [Applause.]

Mr. READ, of Washington.—It seems to me, Mr. President, that we ought to take a step of this kind with very great hesitancy. I should like to have the resolution reread.

The resolution was reread by the President.

Mr. READ.—It seems to me that that is a very indefinite resolution. The fact that we ask that "some sections of the regulations" be amended leaves it open to amend any section. I think we ought to have specific information, and I think the National Board of Trade will not do itself justice by recommending any sweeping change in the regulations which are at the present time only in a tentative condition. The officials of the departments are going over them and considering them at this very time and they are very willing to listen to suggestions, and it seems to me that the Italian Chamber of Commerce could very properly go before those officials with the precise sections that they wish amended and could probably get all they ask for at the hands of those gentlemen who have the subject under consideration now.

Mr. TRUESDELL, of New York.—I am heartily in accord with what Mr. READ has said. I am very sorry to oppose the resolution offered by the Italian Chamber of Commerce, but it seems to me that it would indicate an unfriendly attitude on the part of the National Board of Trade toward the good work that has been done under the leadership of Dr. Wiley. I think the Italian Chamber of Commerce should have been more specific in stating what their objections were to the law as it exists. To make a general statement of this character reflects upon the entire law and gives an opportunity to anybody who wishes to attack it to say that his particular object is the one that the National Board of Trade had in mind in passing this resolution.

Mr. WOOD, of Philadelphia.—This recommendation is certainly too indefinite in its wording for us to be clear as to what is meant. I think the proper course is to refer this resolution to the council, and request the Italian Chamber of Commerce to confer with the officers of the Board, looking to any action which may be desirable.

Mr. LOGAN, of Pittsburg.—It seems to me that the matter is so indefinite, while very important, that it would be well to refer it to our officers, with a request that they correspond with the Italian Chamber of Commerce in regard to the matter.

Mr. READ.—I think that would be a very practical solution of the difficulty, both for the Italian Chamber of Commerce and everyone else.

Mr. ZUCCA.—The reason it is indefinite is because there are so many changes made every once in a while in the regulations, and the goods are in the warehouses. This is a matter that touches our pockets, too.

The PRESIDENT.—The motion is that the report brought in shall be referred to the Managers for future consideration, and in the meantime to correspond with the Italian Chamber of Commerce and aid them in every possible way.

The motion was agreed to.

COMMERCIAL EDUCATION.

Mr. HATHAWAY, of Springfield.—I would like to ask if there is present any delegate representing the Philadelphia Commercial Museums, who placed upon the programme this resolution:—

Resolved, That the National Board of Trade reaffirms its belief in the need of increased facilities for commercial education in this country.

Resolved further, That it is the sense of this body that such facilities are desirable, not only in our colleges and universities, but also in our public school system.

A DELEGATE.—There was one delegate present about five minutes ago; that was Mr. BOYD. Dr. WILSON and Mr. HARVEY left last night.

The PRESIDENT.—The gentleman from Springfield can bring it up for Mr. BOYD.

Mr. HATHAWAY.—I call this up because I believe it is one of the most important resolutions on the programme.

The PRESIDENT.—Gentlemen will find it to be Proposition CXII on page 35 of the programme.

Mr. HATHAWAY.—I move that the National Board of Trade go on record as approving and adopting this resolution.

The PRESIDENT.—That is a reaffirmation of our action last year.

The resolutions were adopted.

ORDER OF BUSINESS.

The PRESIDENT.—The Chair thinks that finishes up our work. A motion to adjourn is in order; but before that motion is made the Chair desires to thank all the delegates for the earnest consideration they have given to the subjects that have been before us, and also to suggest that next year we make take one day more for our proceedings. Immediately after the adjournment the council will convene.

At 12.05 o'clock P. M. the National Board of Trade adjourned.

W. R. TUCKER,
Secretary.

SPEECHES AT THE ANNUAL BANQUET.

The fifth annual banquet of the National Board of Trade was held in the Red Restaurant of the New Willard Hotel, Wednesday evening, January 22, 1908, and was presided over by the President, Mr. FRANK D. LA LANNE, who acted as toastmaster.

The PRESIDENT.—Ladies and gentlemen, in this, the fortieth year of the age of the National Board of Trade, I feel very proud that there are gathered about this board so many distinguished men and so many charming women. [Applause.]

Last year a feeling of great mortification came over me after I had left the banquet of the National Board of Trade, because while the masculine part of the community had had a splendid banquet, plenty to eat and plenty to drink, the ladies were relegated to a part of the hall where they got nothing but a small glass of champagne each, and I felt that this year I would prove that I thought the ladies had as much right as we had to be here, and I know they enjoy these banquets as well as we do and they are fully as able as we to enjoy the speeches. [Applause.] Here they are to-night, and I think every man will say that this table is graced by the most beautiful bouquets God ever made. [Applause.] Gentlemen, those are my sentiments, and I speak them earnestly and from my heart.

Forty years ago, in 1868, the most powerful business organization in the United States was created. It has had a varied experience. For many years it showed enormous strength. For a few years, in times of adversity, it lost some power, but in the last few years, thanks largely to the Presidents who preceded me and thanks to the hard work of the committees who have aided me in everything I have tried to do, the National Board of Trade to-day is stronger than it ever has been in its existence, and I must say, and I am proud to say, that at its convention to-day we had a higher class of men, a stronger list of committees, than we have ever had before.

But I regret to say, gentlemen, that you have again elected the same old President you had in the year that has passed. [Applause.] One of my particular friends who keeps me straight, and who sometimes hurts my feelings, but still is my good friend, said quietly in my hearing to-day, "We have elected you President of the National Board of Trade again because you talk so much, and we thought if we put you in the chair you would not have the opportunity to say very much. [Laughter.]

I thank you for your continued confidence in me, and I shall strive in the year that is to follow to do the very best I can. I shall give you all my time and all my energy and all my work, for I have nothing else to do. [Laughter.] Now, gentlemen, I think the work of the National Board of Trade is the most important work that I have ever attempted, and with your help and the help of my committees, we shall make the National Board of Trade even more important in the future than it is to-day, and it shall be a power in the land.

I know, from the presence to-night of so many distinguished Senators and members of the House of Representatives, that they have the proper respect and appreciation of the concentration of commercial interests that are here, or else they would not have accepted the invitation of your humble President. [Applause.] It is a high honor, Mr. Vice-President of the United States, gentlemen of the Senate and gentlemen of the House of Representatives, which you have conferred upon us in accepting our invitation to-night. It is a splendid encomium upon what we are trying to do, and it is a recognition of the commercial interests of the United States.

Ladies and gentlemen, I ask you to drink, standing silently, the health of the President of the United States.

The request of the President was complied with.

The PRESIDENT.—Ladies and gentlemen, we have among our honored guests to-night the Vice-President of the United States, who has courteously accepted our invitation, and we feel the high honor that he has bestowed upon us. [Prolonged applause.] I now have the great pleasure of introduc-

ing to you the Vice-President of the United States. [Prolonged applause.]

Vice-President FAIRBANKS.—Mr. President, ladies and gentlemen, I esteem it a very great pleasure indeed to be permitted to enjoy your hospitality for a brief while this evening. I am here under some misapprehension. I did not know, when I accepted your invitation with such alacrity, that there was coupled with it the necessity of making a speech. I am here, not because of an opportunity to make a speech, but in spite of that opportunity. [Laughter and applause.] There is in such a gathering as this much of inspiration. The President has been heaping compliments upon you since I came here. He has expressed his pride in the organization which has honored him so signally.

The National Board of Trade has a wide field. There is much need of such an organization as this, devoted primarily to the consideration of great questions of trade and commerce. We get on by deliberating, by thinking. It is important that we should think and act. There are a great many people who act and think. [Laughter.] I see you understand the distinction between the two.

Our National development is the marvel of the world. It is due largely to the wisdom and to the conservatism of the business men of the United States. Sometimes it is fashionable to criticise them, to charge them with subservience to a spirit of commercialism, to indulge in more or less impeachment. I know something of the business men of the United States, and I express it as my deliberate judgment that there are no more upright, honorable men upon the face of God's earth than they. [Applause.] They devote themselves to the expansion of trade and to building up commerce, not as the ultimate object of their ambition, but only as a means to the desired end, which is the creation of the highest and best order of American citizenship and American civilization. [Applause.]

The prosperity which the American people have enjoyed has been the fruit of wise laws, wise administration, wise business methods. If we would continue to enjoy prosperity

in America in the future as we have enjoyed it in the past, we can do it by adhering to those sound and wholesome principles which are the foundation of industrial and commercial progress. [Applause.] We must follow off after no unwise and irrational theories. We must exercise clear, hard common sense. We can accomplish in trade and commerce whatever we will if we but deliberate and take counsel of our past experience.

I am not going to make a speech, Mr. President—

The PRESIDENT.—The longer the better.

Vice-President FAIRBANKS.—I find I am violating my promise. I am launching off into a speech.

The PRESIDENT.—Go on. I move that the time of the Vice-President be extended one hour. [Applause and laughter.]

Vice-President FAIRBANKS.—You must think you are in the Senate of the United States. [Laughter.]

The PRESIDENT.—I wish I were.

Vice-President FAIRBANKS.—No my, friends, I have come here for a word of greeting. It is a great pleasure to meet, assembled here in the National capital, representatives from the great commercial organizations of the United States. It is in the highest degree fitting that you should assemble in the National capital [Applause], for what you are doing is adding to the strength of the entire Republic.

The development of our commerce during the past ten years is the most wonderful achievement ever witnessed in this country or any other. I am sure my friend, the Italian Ambassador, will pardon me for making this observation. It is founded in truth, and we Americans are occasionally given to pointing with pride to our achievements. The commerce of the United States has risen so high and is so vast in volume that we can but inadequately comprehend it. Our foreign commerce gives us some indication of our industrial and commercial development. It has risen until to-day it amounts to over \$3,000,000,000 a year, and that is not the best of it all, for we have been selling abroad more than we have been buying abroad. In short the balance of trade during the last ten

years has run strongly in favor of the United States. Do you know what it has been? I will tell you. And in order to appreciate its full magnitude, it is well to bear in mind that the total balance of trade in favor of the United States upon our foreign commerce, from Washington's administration down to the great administration of William McKinley, was \$383,000,000, and from William McKinley to 1908, the balance of trade in the United States has amounted to \$5,000,000,000. [Applause.] For every one of the years of the matchless administrations of William McKinley and Theodore Roosevelt the balance of trade in favor of the United States has amounted to more than the entire net balance of trade during the 107 years prior to the administration of William McKinley. [Applause.] We are going forward. The American people were not born to go backward.

There are new victories in trade and commerce as great as any of those we have witnessed in the past. In order to win them, we have only to adhere to the great fundamental principles upon which American progress has thus far been made.

You are charged with the consideration of many questions. They are worthy of the most deliberate consideration. Resolutions are usually adopted by such organizations as this. In order that they should command the approval of the public, they should be well considered, deliberately formed, and, in short, fashioned in the light of the highest and best judgment. [Applause.]

I congratulate the National Board of Trade upon many wise things done, but upon nothing more than their having invited into the environment of such an occasion as this the best flower upon this earth, woman. [Applause.]

In conclusion, my friends, I wish for you the utmost prosperity and all of the happiness which it is possible to gather under our institutions and under our laws and under the protection of our flag, the mightiest in all this world. [Applause.]

The PRESIDENT.—Ladies and gentlemen, the Vice-President has said in his most able and splendid speech that our National development is the marvel of the world. He has spoken of the enormous growth of our commerce. But there is one

thing, gentlemen, that I wish he had mentioned. The growth of that commerce emphasizes the need of the American ship to carry that commerce to every corner of the world. [Applause.] And, gentlemen, I am glad to say that the National Board of Trade stands for an American merchant marine. [Applause.] We are to-day facing the unpleasant fact that our great battleships, equal to any in the world, are sent around to the Pacific Ocean without adequate auxiliaries to carry the coal to feed the engines. And, gentlemen of the National Board of Trade, we will never stand satisfied until the Congress of the United States gives us an American marine, built in American shipyards and manned by American sailors. [Prolonged applause.] We must have an American merchant marine adequate as an auxiliary to our navy, so that in time of war or in time of peace, when we need to carry provisions and supplies for that navy we shall have our own ships to do it. [Applause.]

Ladies and gentlemen, America owes to other countries a great deal for her prosperity. There is a country that has twice governed the world, a sunny, lovely country, where the sky and the sea are always blue, a country whose landscape is always beautiful. That country has supplied us with the best workmen, the most intelligent devotees of the arts and sciences. It has supplied us with the delicacies of life, and we must confess that our great railroads, our canals, our great works of internal improvement could not have been accomplished without the assistance of the worthy immigrants from that country.

Gentlemen, I am proud to say that our commerce with that country has increased enormously every year, in full proportion to the increase of American commerce generally. On a trip I took to fair Italy last year, I found that every city was increasing her commerce with our own country; that the city of Milan alone was doing with America \$25,000,000 worth of commerce in imports and exports, and her trade is increasing every year. We must remember that Italy sends us one-third of all our raw silks. Italy produces one-third of all the raw silk that is used in the world, France a third and Japan and China another third. The

commerce between Italy and our country has been so successful and so agreeable that it is increasing all the time, our good relations continue and I hope they will always continue. We love Italy, we appreciate her people. They have helped us to do many things essential to the progress of the United States. They have always stood by us, and I hope the friendly relations which exist to-day, Mr. Ambassador, may continue until the end of the world. [Applause.]

Ladies and gentlemen, I desire now to drink the health of his Majesty, Victor Emanuel of Italy. I hope we will drink that toast standing. [Applause.]

Ladies and gentlemen, his Majesty could not be with us to-night, but in his place we have his worthy representative, his Excellency, Baron Edmondo Mayor des Planches, Royal Ambassador for the King of Italy, whom I now have great pleasure in presenting to you. [Applause.]

The ITALIAN AMBASSADOR.—Mr. President, Mr. Vice-President, ladies and gentlemen, I am very proud of the evidence of your friendship for my King and for my country. It will be my most agreeable duty to cable to my Sovereign, telling him of this expression of the love and friendship of the American people, of American business men coming from every part of the United States, gathering here for the discussion of most important questions for the welfare and prosperity of their country, and I am sure he will appreciate highly the honor conferred upon him by citizens of your Republic, and I am sure I am only interpreting his feelings when I express to you my personal profound gratitude. [Applause.]

Mr. Vice-President, you overwhelm me with such enormous figures showing the prosperity of your great country that I dare not mention the small contribution of my own country in such great prosperity, but as I have been invited to speak of the commercial relations between America and Italy, I have gathered some data, and I ask your permission to read some of them in order to show you how the commercial relations between the two countries are growing.

Our commercial relations are eminently satisfactory. [Applause.] The trade relations between the United States and Italy have increased in the last ten years more than 150 per cent. The commerce between the two countries amounted to about \$40,000,000 during 1897. It exceeded \$100,000,000 last year. It is a trade almost equally divided. Italy exported to the United States in 1907 about \$52,000,000 of merchandise. The United States exported to Italy almost the same amount.

It is not a competitive trade. The most important article you send to us is raw cotton, and we do not produce cotton. The most important article we send to you is raw silk, which you do not raise and which you need for your great silk industries.

Even in manufactured articles there is no competition. The articles which Italy sends to this country are not made here, or at least they cannot be here made so cheaply and so well. We send to you works of art, straw goods, gloves, high-grade silk and cotton goods. You send to us steel manufactures of every kind and description, from type-writing machines to the engines for our railroads, agricultural implements, tool-working machinery and all articles which we cannot make so well as you do in this country, for several reasons; because we have not the large deposits of iron and coal that you have, and because the Italian industry has not the long experience that the American has.

The feature of industrial Italy is largely artistic. The feature of industrial America is especially mechanical. The two kinds of industry complement each other, and therefore our trade relations must be still closer in the future. What is desirable for both countries is a better knowledge among their business men. Our business men must come to this country in larger numbers to study it and see the needs of it. Your business men must go to Italy, study the country and see what opportunities it offers, what a large field for your products. Take, for instance, coal. Italy buys about 8,000,000 tons of coal every year from abroad. The United States could easily have a great part of this trade. I must say that we are very hospitable to your products and goods.

American products entering Italy enjoy the minimum rate of duty, which, generally speaking, is indeed very low. Every reduction that we concede to all other countries is extended freely to America without asking anything as a matter of reciprocity or compensation, only your good will. Last April, for instance, we cut in half our duty on petroleum as a consequence of the commercial treaty we concluded with Russia. The same reduction was immediately granted to American petroleum. [Applause.] The wonderful increase of the commercial relations between the two countries is shown by the enormous development of steamship navigation between Italian and American ports. There are now not less than fifteen steamship lines plying between Italy and the United States, and carrying freight and passengers. Of these fifteen lines, five are Italian, four are English, two are German, one is French, one is Spanish and another is Austrian. Another one is Greek. Beyond that there are still some more lines carrying only freight. I regret to say that no American steamers go to Italy. We should be happy to see the Stars and Stripes flying in our ports [applause] and it would be simply natural that the trade between the two countries should be carried on steamers flying the American and the Italian flags. [Applause.] There are fortunately an increasing number of American travelers going to Italy every year. A large part of them take the southern route, which, indeed, for people who are not seasick, is the best route. It is a little longer than the northern route, but it is more interesting, because it is more varied. If you are a good sailor, that is, if you do not feel sick, even when the sea is smooth [laughter], you will enjoy the trip better on account of the good weather that you generally find on that route. The Italian steamship companies have built, and are building, very fine steamers for this trade. There are twin-screw steamers having a capacity of 8,000, to 10,000 tons, and they will make the trip in ten or twelve days. You will find on them so highly a welcome, such good cooking and good wines, such mild breezes and such sunny seas that it will seem to you that from the day you leave America you are already in Italy. [Applause.]

With this sincere and not paid advertisement [laughter] I will end my words, thanking you, ladies and gentlemen, for your kind attention. [Applause.]

It was moved and seconded that a rising vote of thanks be extended to the Italian Ambassador for his remarks, and the motion was unanimously agreed to by a rising vote.

The PRESIDENT.—Ladies and gentlemen, this is a conference of commercial men. I will tell you of a dream that has often been repeated, beginning in 1868. It was a dream of the men of commerce that we should have in the National Government, with a Cabinet Minister at its head, a department which should represent the men of commerce; and the National Board of Trade in its strength and its earnestness worked hard for many years for a Department of Commerce and Labor. [Applause.] Our earnest work many times seemed futile, but after hammering hard at the doors of Congress to grant us that boon, in recognition of our strength, we were given the Department of Commerce and Labor to look after our interests, for after all the sinews of war for running this great Government come very largely from the men of commerce. They are always willing to pay everything that they are asked to pay. We put our hands in our pockets very willingly to help the Government. We are willing to back it in everything that it does. We are patriotic, and we will always be so.

We have with us to-night the head of that great Department of Commerce and Labor and I take very great pleasure in presenting to the ladies and gentlemen the Honorable Secretary of the Department of Commerce and Labor, Oscar S. Straus. [Applause.]

Secretary STRAUS.—Mr. President and gentlemen, I am most happy to greet the representatives of the commercial bodies of the country, and I not only find it a pleasure, but I deem it a duty to be here with you to-night.

I am not going to make a speech, because it is not regarded among commercial men that speech-making is what they require from their commercial representatives. I am simply going to lay before you the memoranda which I have drawn

up, for a speech, and let your imagination fill out the balance. Commerce has been variously described as an art and a science. Industry is an art. Finance is a science, and I suppose when finance takes industry under its wing, it becomes an artful science. [Laughter.]

One of the chief functions of the department which I administer is to open up the highways and the byways of this artful science to the sunlight of public opinion, and so long as public opinion is sound and healthy it will kill off all the wriggling and squirming vermin that burrow through the moral fabric of our financial and political systems. That the stock ticker, which after all is a delicate and sensitive electrical instrument, should register this moral regeneration is a sign of health and not of disease, and the physician who detects the germ of that disease which is sapping public confidence and poisoning the industrial and political body is a benefactor of his country, a prophet of his day and his generation. [Applause.] When Jenner introduced vaccination in the domain of curative and preventative medicine, the reactionaries pronounced him an enemy of mankind, but the next generation held him up as one of the greatest benefactors of the human race and erected statues in memory of his skill and his services to humanity. Far more important to the well-being of a State than the increase of production of commodities is the upholding of public morals. We are on the crest of a commercial age. Our foreign commerce alone, as has been so graphically described by the Vice-President, has mounted up to the tremendous figures of 3,300,000,000 for the past year. And year by year it will mount higher, if we do not lose sight of economic laws and of the moral and humane principles in which these laws in the last analysis are embedded. There are no considerations of higher import than the just relation of capital and labor. The organization of capital, which is a normal and logical development of our times, should welcome reasonable laws which place wholesome restraints upon its activities, so that through competition or otherwise it will not be induced or forced to overstep the safeguards of industrial rights, and block the highways of opportunity for the humblest citizen of the land. [Applause.]

There can be no liberty without opportunity, and to the extent that opportunity is abridged, whether by the State or by corporate power, it is a denial of liberty. [Applause.] It is oppression, and it is no less oppression when it emanates from organized capital or from organized labor. [Applause.] The fundamental principles of individual liberty lie at the basis of our political system, and no more sacred duty rests upon the Chief Executive under the Constitution than to see that the laws are faithfully executed.

No Executive has been more watchful and vigorous in the fulfillment of that trust than our present Executive. [Applause.] The most powerful interests in the land recognized that, and the masses are grateful in their recognition of his services. The more powerful the capitalistic interests grow the more need is there that the rights of the masses be guarded, and that justified grievances be redressed. We need only to read history, and times of prosperity are the times for contemplation. We need only to look back into the history of other countries to see that we must not, in the headlong development of what is supposed to be prosperity, forget the rights that lie under this prosperity, and that the rights of the toiling masses must be safely guarded or otherwise they will rise in vengeance and protect themselves, not in a conservative manner, but will bring on those conflicts that have been the ruin of lands and of prosperity in the past. [Applause.] So long as we are faithful to this fundamental doctrine, there is not now and there can never be any room in our country for communism, collectivism, socialism or any other ism but Americanism. [Applause.]

As head of the Executive Department of Commerce and Labor, charged with the administration of some of the laws affecting the commerce and labor, I am deeply sensible, not only of the close future relations of capital and labor, but of their respective rights, duties and limitations. The department is desirous of exerting its utmost efforts to further commerce. As our foreign commerce increases in volume, we come more and more in competition with our rivals in the marts of the world. We have trade agents in foreign countries studying conditions and markets in the principal

countries of the world, which draw or can draw upon the products of our mills and factories. Their reports are disseminated throughout the country, as well as the reports of our consuls bearing upon commerce.

The department has recently taken steps to bring about closer relations with the commercial interests of the country, and with that end in view invited delegates in December last from the leading commercial and trade organizations of the principal cities, with a view not of creating a new National Board of Trade, but a small delegated body with a permanent seat in Washington, which would represent the entire commercial and trade interests of the country, and would not only co-operate, but be constantly in touch with it and other departments in promoting the best interests of commerce at home and abroad. The governments of our leading commercial rivals have such co-operation, and they are largely profiting by the arrangement. I am pleased to tell you that this organization of commercial interests, to which your body sent a representative delegation, is making excellent progress under the direction of an Executive Council, and that the department is ready to heartily grasp its hands and grasp the hands of all the commercial interests of the country as represented by your great Board. [Applause.]

Further than this, the department upon a request laid before it by the President, has warmly indorsed the plan to establish commercial instruction in the leading State universities and other institutions in States where no such universities exist, so that the science, as well as the arts, of commerce may be taught to the youth of the country.

I wish to say further, gentlemen, that commerce, which with such magnificent figures overspread the boundaries of our land, is the great harbinger of international peace. [Applause.] Commerce travels along the high roads of peace, and if this commercial advantage has taught us nothing more valuable, it has certainly taught us that the old rivalry between nations, by which rivalry nations look with disfavor upon the prosperity of other nations as a menace to their own prosperity, is an erroneous idea, and the new commercial ideals have completely reversed that false theory. [Applause.] We

cannot carry on trade unless there is mutuality, and there cannot be mutuality unless the countries with which we trade are competent to trade with us. Their prosperity contributes to our prosperity, and our prosperity contributes to theirs. [Applause.] And with the rapidity of communication and the beautiful steamers that sail from fair Italy, which her Ambassador has so graphically described, and which sail from all the countries across the Pacific and bring us in such close relations with them, the provincialism of nations is falling, and we are getting nearer and nearer together, and we are understanding one another better; so that the great prayer and thought that was embodied in the ideal that the nations of the world should form and be one great brotherhood is being promoted more by commercial intercourse than by any other medium that has ever been discovered or invented. [Applause.]

The PRESIDENT.—Ladies and gentlemen, we are all thoroughly convinced that commerce cannot be carried on without transportation. Three hundred and fifty years before Christ there was built at Syracuse a great ship, measuring 4,000 tons, for commerce; but after they had built it, the builders could not put it in the water. So they called upon the greatest man in the world at that time, Archimedes, and he invented a lever which put the ship into the water. We have to-day with us a gentleman who has been intensely interested in water transportation. He is the apostle of that kind of transportation, and he has done more for the improvement of our rivers and harbors than any other man in our country. It gives me the greatest pleasure to present to you Senator Newlands, of Nevada, who will speak to you on water transportation. [Applause.]

Senator NEWLANDS.—Mr. President, ladies and gentlemen, I am sure I am somewhat taken by surprise. I thought that my good friend, the Speaker of the House, would be called upon to speak next, and that whilst he was speaking I would have an opportunity of gathering my thoughts.

Speaker CANNON.—There are others.

Senator NEWLANDS.—I did not intend by that statement to imply that there would be such vacuity of thought in the Speaker's address as would give others an opportunity for thinking of something else beside the subject of which he was speaking. [Laughter.]

I am always glad to address representative bodies, the great commercial organizations of the country, for I feel that in these great organizations of the country public opinion is created; and when public opinion is well formulated, it always directs legislation. [Applause.] We, of Congress, rarely take the initiative in organizing public opinion. We are glad to know what public opinion is. Many of us have our ears to the ground, in order to ascertain what it is. But we rarely initiate. We simply record public opinion, and the man who wishes to legislate in the best interests of the country can get his instruction best from organizations of this kind, rather than from the debates of his associates in the great deliberative body.

Your Chairman has asked me to say a few words regarding water transportation. Well, it is true I have made some study of that of late but I must confess that I am rather surprised when I am called upon to say anything upon the subject, for I represent a State that has not a single navigable river. [Laughter.] And the President recently spoke of satirically, as the Senator from the great maritime State of Nevada. [Laughter.]

But I was appointed recently by the President upon the Inland Waterway Commission, and we have been studying this subject for the last six months, and we have visited the different parts of the country. We have made a tour of the Great Lakes, we have gone down the Mississippi River from St. Paul to the Gulf, we have been on the Missouri River, we have been upon your Atlantic coast waterways and your Pacific coast waterways, and I must confess that I never realized, until this investigation, the great folly of the American people in not pressing this issue to the front years ago.

We sailed down the Mississippi River, and we hardly encountered a boat. We sailed down the Missouri River between the great cities of Kansas City and St. Louis, a distance of

about 400 miles, and we did not see a single boat carrying freight or passengers. And yet we were conscious of the fact that the entire country was suffering from a freight congestion, which for months has made it almost impossible for the transportation agencies of the country to deliver freight from the seller to the buyer.

Now my friends, we have been brought face to face with the fact that we have not made the development that has been made in other countries. We flatter ourselves that we have in this country the most perfect system of transportation in the world. It is true that we have made the most extensive railway development in the world, for we have in this country about one-half of the railway mileage of the world. But, viewing transportation in the large, the utilization of rail, of river and of ocean in the great scheme of transportation, we have not made the advance that other countries have made. In Germany and France every river has been artificialized almost from mouth to source. The rivers have been connected with each other by canals, so that notwithstanding differences of altitude, it is possible in either of those countries to travel from one point to another in almost any direction by water, and it is possible to secure the transportation of freight by water. They realize in those countries that it is not economical to carry bulky freight and cheap freight by rail. They use the rail for the more valuable and the most costly products, and they use the water for the transportation of the bulky and the cheaper products, the products of the mines and farms, which constitute about three-fourths of the entire tonnage of any country. In this country our railroads have been so eager to enlarge their tonnage that they have engaged in a destructive competition with our waterways, and have destroyed waterway competition by lowering the freights during the period of navigation and increasing them during the period of monopoly. So we have allowed one public service to destroy another public service, equally important to the public. And we have not only done that, but we have neglected these waterways. We have pursued the policy of repression instead of the policy of progression, and in every Congress the aim of the leaders in legislation has

been to diminish and keep down necessary appropriations for the improvement of our streams, instead of increasing them. Congress has only recently relaxed this rule, and not yet relaxed it nearly as much as it should, and what it has done in that direction has been done only under the force of a strong public opinion, created not in Congress, but outside of Congress, by legislative bodies such as yours, infinitely more powerful than Congress itself. [Applause.]

These great bodies are the real deliberative bodies of the country. They are the masters, we are the servants, and we record your will when we know what your will is. [Applause.]

Now, my friends, what are we to do with these waterways? Are we to go along under the old disjointed system of appropriation, under the old system of the pork barrel, under which an individual member of Congress goes to Congress for the purpose of getting from the barrel a particular piece of pork and turning it over to his constituents? [Laughter.] Or are we to adopt a broad, comprehensive and scientific policy that will embrace all the waterways of the country which are capable of navigation? And are we so to improve those rivers as to make them useful, not only for navigation, but for all the beneficial uses to which they can be put? And what are these uses? Uses valuable in themselves, and valuable because of their aid in the development of the projects essential to navigation. Why, take the Mississippi Valley and the Mississippi River and its tributaries, what does the treatment of that river and its tributaries involve? Those tributaries are eastern, taking their sources in the Alleghenies and the Appalachian Mountains, and western, taking their sources in the Rocky Mountains; the Missouri River, with its tributaries in the arid regions, the Gallatin and the Madison Rivers, the Yellowstone and the Platte, the Kaw, the Arkansas River, flowing through Arkansas, but taking its source in Colorado.

What is the first problem that we have? Why, it is the problem of irrigation, supplying water for the arid plains; a fruitful soil but incapable of cultivation because sufficient moisture does not fall from the heavens. What is the method there of utilizing the waters of those rivers? It is to store

these waters in great artificial reservoirs, to lead them out over the arid plains and reclaim lands, fitting them for cultivation, and these plains themselves constitute great reservoirs of moisture, and the water seeps gradually back to the stream. The water which would go down in a destructive flood when the snow melts is thus held in suspension until the period of drouth, when it seeps back to the river bed and swells the volume of the river below during the time when it is most needed for purposes of navigation. And what does the use of this water involve in the lower stretches of the streams? Why, the reclamation of the swamp lands, whose difficulty is too much water, for the waters of the entire Mississippi Valley, the eastern tributaries and the western tributaries, are precipitated in torrential streams down the great Mississippi River and overflows vast areas of alluvial soil, rich as any in the world. There the stream, overflowing its banks, divides itself into sloughs and bayous, spreading over the entire country, destroying crops and yet spreading out the waters over such a large area as not to present a sufficient channel anywhere for navigation. And what is the problem there? The problem is not simply to dredge and deepen the channel. The problem there is to erect banks by revetment of stone and willow, to construct levees so as to prevent the overflows, to confine the stream within its banks, so that the force of the stream itself will scour the river, and thus deepen the channel necessary for navigation.

And what intermediate uses are there upon these great streams? Why, there is the utilization of this water for power. Are you aware that the use of water for the generation of electrical power has developed into a new force, and that the value of this great force, measured in the energy which it will create, equals that of the entire coal supply of the country? In the treatment of these rivers for purposes of navigation, wherever there is a rapid descent of the stream, wherever there are rapids, it is necessary, to construct locks on the sides so that the boats can go through those locks, and when the water is lowered, reach the level of the pool below. In doing that it is necessary to construct dams. Shall we construct those dams only in order to promote nav-

igation, and shall we lose sight of their great value in the development of electrical power? Shall we allow these great natural resources of the country, uncared for by the public at large, to fall into the hands of oppressive monopolies? [Applause.] It is clear that by the development of all these uses we can carry to successful conclusion projects which otherwise would be entirely unfeasible because of their cost for purposes of navigation, and make them entirely feasible; for, if you apportion the benefits from the various areas of use, you will find that the portion of the cost assigned to navigation will be exceedingly small.

Now how is this to be done? You say that the nation is a government of granted and limited powers. That is true; and it only has a right to exercise the granted powers, or the powers necessarily implied in the grants. That is true. And the only power to which we could refer for the promotion of navigation (because navigation is not mentioned in the Constitution) is the power over interstate and foreign commerce, which in this case is the power over interstate commerce. Nature had no regard for State lines in placing the rivers of this country. They are interstate rivers, and the commerce upon them is interstate. So we have a right to take hold of these rivers and improve them in the interests of navigation; but we also have the right, in promoting their use for navigation, to adjust the expenditures in such a way as will make it reasonable, so that the projects will be feasible, and we have a right to diminish the cost by considering all these related uses of water; the use of water for irrigation, the use of water for swamp-land reclamation, the use of water for power, the clarification of the streams, which is a matter of great importance to the municipalities and towns along the banks of the rivers. So it is our right to consider this scheme in its entire magnitude, embracing not simply the use of the rivers for navigation, but for every incidental and collateral use, the development of which will diminish the cost of the enterprise, so far as navigation is concerned, and make transportation cheap and effective.

And besides this we have the power of co-operation. We have allowed ourselves to talk too much about State rights

and too much about National rights, as if it were never possible for the State and the nation to come together in any co-operative enterprise. The rigid State rights man might say that you have not the power, that the nation has not the power to enter upon some of these things. Very well, do not let us argue that question with the State rights man. Let us say to him that so far as we are concerned, we propose that the nation and the State shall co-operate, so that the question of the respective rights and powers of each will not be raised. It is certain that between the two they have all the power that is necessary for the full development and use of these rivers. [Applause.] And if we adopt a scheme that will bring co-operation between the nation and the States, and co-operation of the nation with municipalities, and co-operation of the States with corporations and individuals, and everybody and everything that has a power or a right or an interest in the streams, why, then we will accomplish the highest development of these streams.

Now, in order to do this we have got to think, and we have got to create some administrative agency smaller than Congress, smaller than the legislature of an individual State, some administrative agency consisting of experts in transportation, expert engineers, men capable of looking into these things and determining them wisely. And it is also essential that we should give such an administrative agency, whatever you call it, power and a comparatively free hand. [Applause.] Let any body of experts such as I have indicated be compelled to come back to Congress with reference to every project, with its plans in detail, with all the varied and intricate negotiations involved in the development of rivers to their highest use, and the result will be endless debate; endless debate over powers, endless debate over rights, endless debate over politics, and resulting indecision and delay. Congress has sought always in these matters regarding public works to do too much of the administrative work, and we must have some great administrative body capable of judging of these things, and we must give them sufficient power, not only to consider them, but to execute them. And the power of public opinion will have to be brought to bear upon Congress, for

Congress, like any other branch of the Government, is tenacious of its power and jealous of its invasion, or is just as much inclined to take power that does not belong to it as the Executive is inclined to take power that does not belong to it. [Applause.] That is inherent in human nature. We all reach out for power and we get all we can. The force of public opinion must be brought to bear upon this, and the force of the public opinion of business men, that when this work is inaugurated it shall be done in a business-like way. [Applause.]

The prevailing idea has been that it is utterly impossible for the Government to undertake great constructive works of this kind. Well, it was impossible until quite recently; but we found a way in the Reclamation Service, and we found a way in the Panama Service to accomplish great things with energy, precision, determination, courage and, above all, decision. And how did we do it? Why, the Western men, representing fourteen arid States and three arid Territories, were engaged for ten years in debating in Congress and in addressing public assemblages throughout the United States upon the importance of irrigation as a National enterprise, embracing the prosperity and the advancement of fourteen States and three Territories, increasing population and wealth, and the contributing advantages to their sister States. When the public sentiment of the country had been educated up to the point that it was willing to accept their suggestions and enter upon a great National work, they found that they were all divided among themselves as to how the work should be conducted, as to what project should be inaugurated first, whether a project in this State or a project in that State, each State being unwilling to give the other the least advantage, and we were about to display in the halls of Congress contention among ourselves that would have killed our cause. What did we do? We got together outside of Congress, the Representatives and the Senators from those States, and we agreed upon a plan of legislation and we determined that we would have a policy, and not have a project, just as the River and Harbor Congress recently determined. We said, "We will create a fund from the sales of public lands in those States, a fund

which, by the by, amounts to \$40,000,000, and we will give the Secretary of the Interior the power to organize a Reclamation Service, and we will give him the power to investigate; and we will give him the power, whenever he determines a project to be feasible, to enter immediately upon the work without consulting Congress." [Applause.] We placed the responsibility upon one man, and the only limitation we placed upon his power was that he should not make a contract for any work unless the money for the payment of that contract was presently in the fund. That is the only limitation, and it was a wise limitation and a precaution against extravagance.

Now, that work has gone on for five years, inaugurated at the same time that the Panama Canal Service was inaugurated. The bills were passed within a month of each other, and as a result of that legislation twenty-three great projects have been started in these various States. All of the States have been fairly dealt with, projects have been fairly apportioned amongst the various States, some of these projects have been finished, and you would be amazed if I should tell you about the complexity of these projects, the complexity of the negotiations with States, with municipalities, with private proprietors necessary to carry them on to accomplishment. Yet that work to-day is going on as the result of these five years of prosecution, to the satisfaction of every State interested and to the satisfaction of the entire country, and we have no pork barrel. [Applause.]

Now, what will you do with the Panama Service? Why, there we divided amongst ourselves as to whether we should have a Nicaragua Canal or a Panama Canal. And then we were divided among ourselves as to whether it should be a lock canal or a sea-level canal; and if we had got that entire matter into Congress for debate, we should have been debating it now, and there would not have been a shovelful of dirt thrown. What did we do? Why, the very complexity of the situation compelled us, the pressure of public opinion that was determined to have a Panama Canal forced us into action, and we authorized the President of the United States to build the Panama Canal, and if he could not get the Panama

Canal, to build the Nicaragua Canal, putting it in the alternative. We gave him the use of \$150,000,000 with which to do it, and we placed no limitation upon his power. You say that is a great power to put in the hands of a President. Yes, but we elect Presidents for the purpose of giving them great powers in the interest of the people [applause], and there never yet has been, thank God, a President of the United States who, charged with the responsibility of a work of this kind, would not regard it as the greatest side of his administration. You all know how that work has been done. The growth of the service has been an evolution, it is true. We have had three commissions, and we finally got the best form of commission as the result of our experience. There will always be that process of evolution; but if we had endeavored to bind the President in the methods of organization, if we had endeavored to put him in a legislative straight-jacket at the start, we should never have got so far as we have. [Applause.] Now, no one complains that either of these works is not being done efficiently. No one will say that either of these works is not done honestly. No one will claim that the work has not been done quickly and efficiently. And this is the example that we must have before us regarding the development of the inland waterways of the country. We must accustom ourselves to think big upon this question. We must become accustomed to big figures, \$50,000,000 a year for four or five years, perhaps \$100,000,000 a year for five years after it. And whoever the President may be, whether a Republican President during this administration, or a Democratic President under the next administration [laughter], we must give him full power to act, and place the responsibility upon him for honest and efficient work, and we must provide a fund adequate for the purpose, so that the prosecution of the work will not be subject to what I once heard a Congressman, in explaining to his constituency the failure of his efforts to secure what they wished in the way of water development, what I heard him call the shoals and quicksands of legislation.

Now, my friends, the railway transportation of the country is now congested, and has been for some time. I do not

know just how it is at this particular moment, but the railroads have broken down, they have been unable to carry this vast mass of trade. We must furnish other facilities. To increase the railway facilities up to the requirements of the hour will cause the expenditure of \$5,000,000,000. By the expenditure of \$1,000,000,000 I believe we can place 50,000 miles of waterway under efficient navigation, thus relieving the transportation by the railways, and if we can only bring the waterways, by proper laws, in co-ordination with the railways, and if we can only bring the ocean service in co-ordination with both, we will then scientifically determine the whole question of transportation with reference to both interstate and foreign commerce. [Applause.]

I fear I have taken up too much time with this question. I am very much obliged to you for your kind attention. I could hardly say less, as the Chairman threw me into a big subject. I should like to say more; but I can only say in closing that I hope you will do your best to create public opinion upon this subject; for action in a big way, in a comprehensive way, in a scientific way, for the solution of this important problem. [Applause.]

The PRESIDENT.—I am sure we are all very grateful to Senator Newlands for his exposition of this subject. There is no man in America I would rather hear, and no man whose judgment on the subjects relating to waterways, I think, is more acute and satisfactory than his. The National Board of Trade feels extremely thankful to Senator Newlands for his speech.

I now have the great pleasure of presenting the Speaker of the House of Representatives of the United States. [Prolonged applause.]

Speaker CANNON.—Mr. President, gentlemen of the National Board of Trade, I am honored by your invitation to be with you, and although I come a little late, owing to prior engagements, it is better late than never for me. [Applause.] It may be after I have talked for ten minutes you will say that you wish it had been later. [Laughter.]

The PRESIDENT.—No, we wish it would be longer.

Speaker CANNON.—Gentlemen, I have listened with great interest to a part of the remarks of the Secretary of the great Department of Commerce and Labor. I have listened with great interest to the golden-haired Senator from the arid State of Nebraska—[laughter].

Senator NEWLANDS.—Nevada.

Speaker CANNON.—Nevada. I apologize to both States. [Laughter.] I have listened with great interest to his remarks concerning legislation, concerning administration, concerning appropriations, concerning public sentiment. I always listen to him, as I do to Mr. Secretary Straus, with great pleasure. At the very foundation of our civilization lies the hustle of the unit, and in a government like ours, where all the units make complete sovereignty, it is important that we should have almost as many specialists as there are units. [Applause.] They all go, in the grand roundup, to make public opinion, public sentiment, public policy. But all of us, each looking in the eye of the other, may thank God that no specialist has complete charge of the magnificent whole. [Applause.] If any one specialist had complete charge of the whole, the other 90,000,000 specialists would go unfed while he was working out his specialty. Naturally, when virile men, who, in the aggregate, make public sentiment, proceed to enforce their opinions, in the fullness of time they make a sentiment and give people their power of attorney in the great National Assembly, and in the respective State Assemblies to work out their will; and, ah, gentlemen, while my friend, the Senator, speaks of each branch of the Government seeking to get power unto itself, let me say to you, with great respect to him, that the legislative body of the country has as keen a sense for an enlightened, a just, an abiding public sentiment as the hound has for the track of the animal which he chases. [Applause and laughter.] We of the House return to the people every two years to have our powers of attorney renewed, while you of the Senate return every six years; and if there are any set of men who are wonderfully anxious to know what a conservative public sentiment demands, it is that set of men who are seeking to have their

commissions renewed. [Laughter and applause.] Now, organizations such as yours—and, merciful Father, how many organizations there are in this country; boards of trade, commercial organizations, farmers' organizations, school teachers' organizations, college professors' organizations, alumni organizations of all the colleges, newspaper organizations, periodical organizations, temperance organizations, anti-temperance organizations, organizations and anti-organizations everywhere,, and many of the organizations—well, they voice it differently, some of them say "God and us." Others, where there is only one man in the organization, say "Me and God." [Laughter.] They are all organizing for a better civilization, all filling a place, some of them working for construction, to lay the foundation broad and deep upon which you can build and maintain civilization in perpetuity; others, with a single idea, looking through a gimlet hole only, and the universe to them is as large as the range of vision, forgetting that there are 90,000,000 of gimlet holes in the country. And yet I thank God for all these organizations. I thank God for the kicker. I am going a long way when I say that in the providence of God, I think the man who constitutes himself, without having any commission from the people, as the guardian of civilization, and who proceeds to take counsel with himself and direct the universe, he has his place; because without the kicker and the attempted director, we might get the dry rot. [Applause.] So much by way of general remark. It has always been so, is now and will be so unto the end, if we progress.

Some of us Republicans have been somewhat annoyed by a considerable number in the aggregate of gentlemen who forget about our domestic relations and agonize about our foreign relations. Some forget about our domestic commerce and agonize about our foreign commerce. They have their place. We get much of good from them, but God help the country if we put them in sole command. [Applause and laughter.] The good Secretary spoke of trade abroad. It is wonderfully desirable; but, Mr. Secretary, how small that trade abroad is in comparison with the 93 per cent. of our trade among ourselves, covering our total production! We should

hold the 93 per cent. and get the foreign trade both, and this last calendar year we have passed all precedents of all the world, and it foots up, foreign trade by import and by export, \$3,500,000,000, an amount greater than any nation on earth has ever had in foreign trade. [Applause.] And yet it is less than 7 per cent. of our production, and we have just begun to live in this country. [Applause.] Do you know how this, and much more that I am going to refer to if you will bear with me in patience, has come to pass? Under the fixed law of the land that vests legislative power in the Congress, the judicial power in a co-ordinate branch, and then the executive power in a third branch, each co-operating with the other and each antagonizing the other where they ought to antagonize, and some people think sometimes where they ought not to antagonize; but out of the antagonism and the checks and the balances made so wisely by the fixed law, framed by the fathers, these 90,000,000 people to-day produce one-third of all the products of all the round civilized world. [Applause.] All legislation is the result of compromise. When you get 392 members of the House, representing constituencies scattered across the continent, and from the northern to the southern boundary, you must have a majority of votes before you can legislate. And then there is that little body [laughter]—I mean little in number, but a great body, 92 in number, of ambassadors from the separate sovereignties—they must concur before a bill can pass Congress. I quarrel with that body. We fight them at times in the House, as we ought to. They fight us at times in the Senate, as they ought to, and the two together fight at times against the Executive, and the Executive against them, as they all ought to. [Applause.] But in the last analysis, they all hark back to the 90,000,000 of sovereign people that must be competent, they help themselves and God helping us all, if a government of the people, for the people and by the people shall last. [Applause.]

In looking back over thirty-four years of legislative life, coming in as a young man, I find that here and there I have made serious mistakes, but my constituency have been kind, and after admonishing me they have renewed the power of

attorney, and Mr. Vice-President, if I get my way about it, I have been so long in public life that when the end comes, if God gives me physical and mental strength, I have an ambition to be buried at the public expense. [Applause.] But I cannot be and ought not to be, as none of us in public life ought to be, unless we keep step with the best aggregate thought of the 90,000,000 of people, and we will not be unless we do that.

So much for that. A word now as to transportation. I hug myself when I look abroad and at home, touching transportation. As the Senator has well said, almost one-half of the railways of the world are in the United States. I hug myself and thank God that I am one of those 90,000,000 when I pick up the reports and find that the freight tariffs for transportation in our great country—great! Why, Germany, with its 40,000,000 or 50,000,000 of people, is only four times as large as Illinois; yet we stretch clear across the continent—I hug myself when I find that the rate per ton per mile for the transportation of our great commerce is one-third of the charge in Germany. And if you take her water and rail transportation over that small area that constitutes that great country, the freight and passenger tariff combined as against our freight and passenger tariff is only one-half here as against a whole there—only half here what it is there. She is doing well. The world is doing well, we are doing well. Sometimes there comes a great crop, great prosperity, great congestion. The country is new. I have seen it grow from 18,000,000 of people to 90,000,000 of people, and I am yet but a boy. [Applause and laughter.] We are growing, all right. I am old enough not to have seen a railway until I was twenty years old. I am old enough to recollect, on that canal from Toledo to Evansville—I lived near to it, and I am old enough to have heard the cry of “Low bridge” along the line of it. [Laughter.] It is with sorrow that I remember that I am old enough to have lived to see that canal pass out and a railway built upon the tow-path. In the fullness of time it will come back. Necessity kicks us all.

Now, I am not a pessimist about river and harbor improvements. I think I am an optimist. You will pardon me for speaking of my personal experience with those improvements, because in so doing I can take less time to show you the progress that we have made. I voted to pass over President Arthur's veto the River and Harbor Bill that was passed in the winter of 1882. I am old enough to have gone home to my former constituency with the united metropolitan press and the united country press against me, denouncing me for so voting, and to have fought for my life along the lines of the cheapening of transportation. Making that appeal I was re-elected, being more fortunate than most of the men who voted with me to pass that bill.

Since that time the river and harbor improvements have gone on, and we have appropriated since that time \$500,000,000 for the improvement of rivers and harbors. Since 1891—1890 was the year that so many of us got leave of absence for two years [laughter]—since 1891 we have appropriated \$400,000,000. Now, just let us go into executive session. We have now in round numbers 90,000,000 of people. Inside of two centuries, perhaps inside of a century and a half, we will have 400,000,000 of people. It will be necessary, as the population grows, and it is necessary now to be liberal in appropriations of the public money for public improvements of all kinds that deserve to be made, and that we have the power to make under our form of government. And yet that man would be an ass or a fool or an enthusiast that would propose now, in this year of our Lord 1908, to commence upon a policy that is to mature in the next ten years, that would develop all the waterways, which policy when fully developed, and when our population is up to the maximum, will cost, not \$1,000,000,000, but \$20,000,000,000. Under the authorization of Congress, I will say to Senator Penrose, who I am pleased to see with us, there have been adopted in a safe and sane way since 1890 surveys that have been made, until to-day you have in sight in the harbor of New York thirty-five feet of water, and surveys made for forty feet, to accommodate our great commerce. To-day there is in sight, under authorization of law, after mature consideration,

a thirty-foot channel in the Delaware River from the great manufacturing and commercial city of Philadelphia down to the sea. [Applause.] And there is in sight, with apt surveys, an additional five feet in that great river. [Applause.]

We have 15,000 miles of coast line. We have that to fortify from the standpoint of the public defense. Its harbors upon the two great oceans and upon the Gulf are to be improved, to accommodate our domestic and our foreign commerce, on both sides of the continent. It cannot all be done in one year. It cannot all be done in any one scheme that can be determined upon now, in consultation with the National Board of Trade, with four or five Senators and a half dozen Representatives. No, no. It can be done as necessity kicks us. We have just one danger to avoid. Do that first which is needed most in our great harbors upon the seaboard, in the internal waterways of the Great Lakes, with their magnificent tonnage, in the internal river, the great Mississippi, with its principal tributaries. But when you come down to the Mississippi (and I speak of it by way of illustration), the surveys are yet to be made from St. Louis to the Gulf, as to how we can get the necessary fourteen-foot channel that I hope and believe Congress will authorize, where survey has been made, at no distant day, from the Lakes to St. Louis, by river and canal. Whether by dredging, whether in part by dredging and in part by levees, how much by canalization, is yet to be determined. Let me give you just a little bit of history that is pertinent to Indiana as well as Illinois. I went to Illinois in 1859. Away back in the late thirties we had a desire to build railways in Illinois, as you had in Indiana. We bonded the State for \$20,000,000, and the legislature required that work should commence in each county on these great internal improvements, and that the dirt should fly at the same time in every county. There were about twenty counties that did not get any railroad, although we gave to each its share in money. By that unwise action the development of that great Prairie State was delayed a quarter of a century, and it was away along in the late sixties before we finished paying that debt. You had a similar experience in Indiana, Mr. Vice-President, and yet if you were to read the speeches of the

specialists away back in that time, why, great heavens, gentlemen of the Board of Trade, those speeches could give you cards and spades and then beat you. [Laughter.]

Now, I could indorse what our Chairman said touching the able, patriotic Senator from Nevada, who is upon this Waterways Commission created by the President, and soon I believe, to make a report. He is able, industrious, broad. I know the gentleman from Nevada to be that. But after I have said all that I come to a parting of the ways, when you say that he is the safest and the best informed man touching the development of waterways in the United States, and I say it with the greatest respect to him, magnificent as he is along those lines. The greatest American citizen, in my judgment, the best legislator, the best informed man, the safest and the most sane man touching these improvements, is Ohio's favorite and magnificent son, Theodore E. Burton, of the House of Representatives. [Applause.] As one member of the House, where he leads I will follow. And after all, gentlemen, politicians may come and go, statesmen may come and go, we may do all things for the people. God grant that we do not do all things for the people at their expense in the last analysis, and while they cry "Great is Diana of the Ephesians, splendid is the progress that we are making," unload upon them and upon the National Treasury burdens of taxation which they hardly know how to meet. Believing in the United States of America as a nation, with a big "N," believing in its exercising wherever necessary its expressly granted powers in a broad and liberal way, I shall, for my voice and vote, claim that the States, exercising the jurisdiction that is not granted to the Federal Government, shall assume the burden of supporting their common school systems, exercising their police powers not against, but in harmony with the Federal Government. For let me tell you something. No man can strengthen the muscles of another man's legs by walking for him. It is that which costs us something that we appreciate and which make us more careful in our expenditures. [Applause.] The contributions for charities and for education in this country are magnificent; but do you know, I would rather have the State University of Illinois,

with its many buildings erected at the expense of the State, by appropriation from the State Treasury and by taxation upon all its people, where they can see it growing into a great institution, attended by nearly 5,000 children of the Republic—I would rather have it than a dozen institutions that are built at the expense of an individual or individuals, and the people have no appreciation of what those institutions cost. [Applause.] Therefore, in this respect, and in this respect only, I might be called an old-fashioned Democrat. I would rather, as for me and mine and those who are to follow after me, that we should live in the sweat of our faces, in an humble home, with a roof that would turn the rain, and with the hearthstone that we have labored for and loved, because it cost something—I would rather have it thus than to have them live in the most magnificent palace that could be created or that ever has been created, if somebody else paid the cost of it. [Applause.] I think we need not go into mourning at the progress the Republic has made. At times we do unwise things, but it is human to err, and, thank God, from the commencement, in colonies and in States, since the time Roger Williams and the Quakers were banished up in the old colony which is now the magnificent State of Massachusetts, all along down the line, when the mistakes have been made, we have paid the penalty and we have marched on, and my eyes are not turned toward the setting sun. Our people, virile and strong and patriotic and intelligent, consulting among themselves, with their eyes turned toward the east, hope for all things that are good, and believe under the providence of God that we will follow those policies that will give universal knowledge so far as it can be utilized by people who toil, whether in bank, on railway, in office, in mill, on farm or in mine. It is all right. We are better now than we ever were before, and our children who will follow us will be better than we are. [Applause.]

Mr. WILLIAM T. ANDERSON, of Norfolk, Va.—Mr. President, I think if every citizen of the United States had been here to-night and heard the speech that has just been delivered they would with one accord second the motion that

I am about to make now, that we give three cheers to the Speaker of the House for the magnificent address he has just delivered.

The motion was unanimously carried, and the audience gave three cheers for Speaker Cannon.

The PRESIDENT.—The National Board of Trade, always alive to the interests of the country, has demanded that we have liberal appropriations made for our National waterways. There is with us to-night a man who has been deeply interested in waterways improvements. I want to hear from the Honorable J. Hampton Moore, on Eastern waterways, because he is the apostle of that great scheme of a waterway from Boston to the South. I call upon J. Hampton Moore to answer to that.

Mr. MOORE.—Mr. Chairman, ladies and gentlemen, If I had the right to make a motion, I should move that after the magnificent addresses we have heard, we do now adjourn. But the President has passed the word along and I must make an attempt to hold your attention for a very few moments.

The subject discussed by the very distinguished men at the head of the table should not be trespassed upon by a new member of Congress. He should rather appeal to the multitude, as I propose now to do, referring specially to the introductory remarks of the particularly eloquent and handsome President of the National Board of Trade. [Applause and laughter.] You will recall that he had a few bouquets to dispense during the earlier part of the evening, and that he was particular to dispose of them in the proper place. But have you, my comrades upon the lower rungs of the ladder in this beautifully decorated hall, observed that while we indorse all he has said about the roses in this garden of beauty which he has described, there are just a few thorns that might as well be down upon the floor as we are. [Laughter.]

The great Speaker of the House of Representatives, to whom we have just given our hearty cheers, is credited with some reflections upon that House at the other end of the Capitol, which is represented here most forcefully and most ably by the distinguished Senator from the great maritime

State of Nevada. [Laughter.] It is narrated that the blind Chaplain of the House, whose prayers are so eloquent that they start every one of us out afresh upon the labors of the day, approached the Speaker upon one occasion with the suggestion that there might be a vacancy in the Chaplaincy of the Senate, and that if such a vacancy occurred he would like to have a good word said for him. Whereupon the Speaker is reported to have said, "And why would you leave the House to go to the Senate? The House," said the Speaker, "is a garden of roses, while the Senate is a graveyard."

"Well," said the Chaplain, "but you can stay longer in a graveyard than you can in a garden of roses." [Laughter.]

I know most of us would like to be in this garden of roses described by the President of the National Board of Trade, for one evening, but perhaps we should turn it into a graveyard unless some of us quit very soon this long line of very interesting conversation that we are delivering to you, our interested auditors.

A word, and only a word about eastern waterways. I have learned enough to-night from the gentleman who traversed the entire waterway situation of this country not to venture far into the field beyond the Atlantic seaboard. I have learned enough from the Speaker of the House of Representatives not to venture too far upon the question of the appropriation necessary to complete the great work in the United States, and particularly along the Atlantic seaboard; but still, in common with those fellow-citizens who have reawakened to the necessity of providing a competitive means of transportation in this country, I may say that it is not too early for you and for them to begin and to continue the splendid work of agitation that will awaken the people of this country to the necessity of again deepening the waterways as a means of transportation. [Applause.] Had it not been that our active and energetic and hustling men of the Middle West and of the extreme West, alive to the opportunities of commerce, demanded the deepening of the Mississippi River from the Lakes to the Gulf; had it not been that the grain rotting in the fields of the great Northwest, because of the lack of railroad transportation facilities, demanded the deepening of the

streams there, perhaps there would have been no Atlantic Deeper Waterways Association; perhaps there would have been no move in the East for the development of a trunk line waterway from Boston to Beaufort, N. C., and beyond. But as one section of the country, alive to its opportunities and its necessities becomes aroused to action, we have the incentive behind Congress and behind appropriations. Had it not been that these men were alive to their opportunities and that they pressed forward for what they believed to be their best interests, perhaps the foundation laid by Washington and De Witt Clinton in New York, would still have been forgotten along the entire Atlantic seaboard. But the work has been taken up with intelligence and with the desire that it shall be prosecuted along a reasonable and sensible course; not that it may be completed in a day, not that all the appropriations demanded may be provided at once; not that a great trunk line that has been the subject of discussion for a century shall be completed in a week, but that the entering wedge shall be driven in the East, as it is being driven in the West, and that the attention of the people, particularly of the commercial classes, shall be directed to the importance and the necessity of the movement.

I hope I have covered briefly the importance of this question in the East. I hope you will attribute to me sufficient good sense at this late hour not to detain you longer. [Applause.]

The PRESIDENT.—Gentlemen of the National Board of Trade, I think we feel very grateful to the distinguished speakers who have honored us by accepting our invitations to-night. We have had a great deal of good sense spoken, and we all feel more enthusiastic than we did before the banquet began. I wish you all a pleasant night's rest. [Applause.]

RESOLUTIONS ADOPTED.

I. UNIFORM BILL OF LADING.

WHEREAS, The Interstate Commerce Commission has now in hand the formulation of a uniform bill of lading to take the place of all others now in use by the railroad carriers of the country; and

WHEREAS, It is deemed absolutely essential to the proper conduct of the commerce of the country that order bills of lading, so important a vehicle in the movement of its crops, should be so segregated by all practical means from the so-called straight bills of lading that they can be readily recognized; therefore be it

Resolved, That the National Board of Trade hereby petitions and prays the Interstate Commerce Commission to require for such order bills of lading a distinct and separate form, so differentiated by its wording, color, etc., that it shall be readily distinguished and that the following forms be submitted to the Commission for its consideration:

ORIGINAL.

.....Railroad Company.
.....Station.....190....
Received from
the property described below, in apparent good order, except as noted
(contents and condition of contents of packages unknown), to be transported and delivered, in accordance with the provisions of law, in like good order, to consignee.
(Insert description of articles, weight, rate, route, and car number and initials, if in car load.)
OFFICIALAgent.
STAMP.

ORIGINAL.

.....Railroad Company.
.....Station.....190....
Received from.....the property described
below in apparent good condition, except as noted (contents and condition of contents of packages unknown), to be transported and delivered to the order of.....in accordance with the provisions of law and the terms of this bill of lading.

The property herein described shall not be delivered until this original bill of lading, properly indorsed, has been surrendered and canceled, or, in case of partial delivery, a statement thereof has been indorsed hereon.

Any stipulation or indorsement on this bill of lading that it is not negotiable shall be void and of no effect.

Inspection will be permitted under this bill of lading, unless otherwise indorsed hereon, which indorsement shall be made at the time of issue by the agent, if requested by the shipper. Any alteration, addition or erasure, fraudulent or otherwise, in this bill of lading, which shall be made without the indorsement thereof hereon, signed by the agent of the carrier issuing this bill of lading, shall be without effect, and this bill of lading shall be enforceable according to its original tenor.

Special Marks.

Consigned to order of
Destination
Notify
At

(Insert description of articles, weights, rates and routes, and car numbers and initials, if in carloads.)

OFFICIAL STAMP.

.....Agent.

II. RIVER AND HARBOR IMPROVEMENT.

WHEREAS, The existing conditions of our business interests, due largely to the inability of our limited transportation facilities to properly handle and economically transport the large freight movement of the country, calls for some speedy and permanent relief, and as it has been freely admitted by many of our commercial bodies and manufacturing interests that the only practical and permanent relief must come through the improvement of our rivers and harbors and internal waterways; therefore be it

Resolved, That the National Board of Trade urges upon Congress the necessity of regular appropriations of not less than \$50,000,000 per annum for inland waterway improvements; these appropriations to be applied in such manner as to permit of progressive, continuous and permanent work being done upon such projects as may be deemed necessary for the proper development of the transportation interests of the country by water.

Resolved, That a policy of co-operation between the National Government, the States, municipalities or corporations, looking to the speedy development of urgent local improvements is heartily indorsed by this body and is respectfully commended to the consideration of Congress.

III. DRAWBACK LAW.

WHEREAS, There is no question whatever that the present drawback system is antiquated and can be improved and greatly extended for the upbuilding and increase of our export business; therefore be it

Resolved, That we indorse last year's recommendation that this subject shall be referred to a commission of experts to report, or that Congress shall pass a suitable drawback law for the benefit of our manufacturers.

IV. CUSTOMS ADMINISTRATIVE ACT.

Resolved, That the Secretary of the Treasury should be authorized to instruct in his discretion collectors of customs duties and internal revenues to accept in payment of duties and revenues, in time of money stringency, or other events, certified checks on National banks, thus avoiding the acuminating of a crisis, due to financial panic, and the increase of premium on currency, as just happened.

V. AMERICAN MERCHANT MARINE.

The National Board of Trade believes that the greatest commercial question, involving the interests of the entire country, is the re-creation of the merchant marine, and it deplores that no action has been taken by Congress.

The carrying trade of the United States is practically monopolized by aliens, who have established their lines from its ports to all parts of the world.

This Board strongly urges the immediate establishment of American mail and freight lines to South and Central America, Australasia, South Africa, China, India and Japan, and to our dependencies.

The Board further advocates that proper encouragement should be given to creating an American-built sail and steamer tonnage, so necessary to the extension and protection of the commercial growth of the country.

An adequate merchant marine is of inestimable value in time of peace and absolutely essential in time of war; therefore be it

Resolved, That in our judgment the commercial interests of the country require prompt legislation, such as will result in the re-establishment of an American merchant marine.

VI. INTERNATIONAL ARBITRATION.

WHEREAS, The substitution of arbitration for war as a means for settlement of international disputes is consistent with relations of dignity between civilized nations, and is demanded for avoidance of wastages of

the results of productive human effort, and by every rational consideration based on features of humanity and morality; therefore

Resolved, That the efforts which have been made and are being made in this and other countries for securing arbitration arrangements for settlement of international disputes are hereby recognized as in the highest degree promotive of civilization and of the world's welfare, and that the continuance of such efforts is commended for the good of the present and later generations of mankind.

Resolved, That the actions of the Hague Peace Conference in making possible the organization of an "International Peace Court" is calculated to advance civilization, promote the welfare of humanity and establish the reign of "Peace on earth, good will toward men," and we ask that the State Department of this country do all that it can consistently to promote the organization and successful operation of such court.

Resolved, That the ratification of treaties with other governments by the United States, which contemplates the adjustment of differences, so far as possible, by arbitration, is a matter of high importance to the interests of international commerce and humanity.

Resolved, That all who have in charge the training of children and the preparation of books for their guidance should make use of such means for emphasizing the desirability of peace with its many and easily recognized blessings, rather than the costly barbarity of war.

VII. IMMIGRATION.

Resolved, That the National Board of Trade is strongly opposed to any and all legislation intended to discriminate against Japan or her citizens, but on the contrary it is believed that every effort should be made to cultivate and promote the most intimate commercial relations between the two countries, and that all privileges now enjoyed by the most favored nations should continue to be extended to the Japanese.

Resolved, That we deprecate all unnecessary harshness in the administration of the laws, rules and regulations governing the admission of the exempt classes of Chinamen into the United States, and believe that all Chinese travelers, merchants, traders and students should be admitted upon the presentation of passports issued by American officials in China.

Resolved, That in order to prevent the undue concentration of immigrants to some parts of our country and to encourage their better distribution in sections where conditions may be more favorable, the United States Government shall furnish to incoming immigrants, at the port of entry, and also, so far as may be found practicable before their departure from their own country, trustworthy information, printed in the language of the country of the immigrants, regarding the resources and the conditions of life which confront the followers of different occupations in various States and territories.

Resolved, That we recommend to Congress that it furnish sufficient means to the Commissioner-General of Immigration to improve the facilities for handling immigration at the Atlantic, Gulf and Pacific ports in order especially to promote the better distribution of immigrants over the entire country.

VIII. PLACING CENSUS BUREAU UNDER CIVIL SERVICE LAW.

WHEREAS, The time for the thirteenth decennial census of the United States will soon arrive and the Congress of the United States is likely, at its present session, to consider legislation fixing the manner in which the employees of the Census Bureau shall be selected; and

WHEREAS, The President of the United States, the Civil Service Commission of the United States, the Honorable Carroll D. Wright and Honorable Robert P. Porter, former Directors of the Census, have strongly urged that the efficiency of the official force would be enhanced and the cost of the census decreased by placing the Census Bureau under civil service law, the same as other branches of the executive department; and

WHEREAS, The National Board of Trade believes that the selection of census employees by other methods, in the tenth, eleventh and twelfth census imposed an unnecessary burden of expense upon the taxpayers of the country, which the enforcement of the competitive merit-test would prevent; now, therefore be it

Resolved, That the National Board of Trade strongly urges that the force to be employed in taking the thirteenth census, except supervisors and enumerators, whenever it is impracticable to satisfactorily apply said methods to these classes of employees, be selected under the civil service law and regulations.

IX. RECLASSIFICATION OF MAIL MATTER.

WHEREAS, The Postmaster-General having stated that from methods inaugurated, for the first time in the history of the Post-office Department, it will be possible to figure intelligently the actual cost to the Government of handling the mails and give definite results at the end of the calendar year in regard to relative costs of the different classes of mail matter and the expense to the Post-office Department of the franking privileges and of the free service rendered to the other departments;

Resolved, That the National Board of Trade strongly advocates a revision of postal rates that the gross injustice may be eliminated of a large portion of our citizens being compelled to pay an enormous profit on the service rendered them to make good the large loss caused by gratuitous service to a fortunate minority.

Resolved, That through intelligent and just revision one-cent letter postage should be made possible without loss to the Government, and should be adopted without further delay.

X. NATIONAL CURRENCY.

Resolved, That the National Board of Trade recommends that all existing restrictions upon the issue and retirement of national bank circulation under the law of July 12, 1882, Section 9, be repealed.

XI. EMERGENCY CURRENCY.

Resolved, That the National Board of Trade favors the issue of a properly safeguarded national bank emergency currency without the deposit of any bonds under rules and regulations to be established by the Comptroller of the Currency, with the approval of the Secretary of the Treasury. Such emergency currency to be guaranteed by the Government and taxed at a rate which will make its issuance practicable, and yet be sufficiently high to insure its rapid retirement as soon as the emergency conditions shall have subsided.

XII. POSTAL SAVINGS BANK.

WHEREAS, It is generally believed that a large volume of currency is hoarded and consequently kept out of the natural channels of trade and exchange by many in this country who have not learned to utilize banking facilities, or who are remote from banking and savings institutions; and

WHEREAS, The Postmaster-General has formulated a plan to encourage the deposit of such currency in postal savings banks, at a rate of interest not to exceed two per cent., and the redeposit of such currency, at a slightly higher rate, in authorized Government depositories in the same localities, thereby insuring the healthful circulation of said currency;

Resolved, That the National Board of Trade recommends to Congress the enactment of such legislation as will provide for the establishment of postal savings banks in accordance with the plan outlined by the Postmaster-General in his last annual report.

XIII. PERMANENT TARIFF COMMISSION.

WHEREAS, The changed conditions, both at home and abroad, have indicated the necessity for a reclassification of many of the items in the present tariff list and the possible creation of new classification in certain directions;

Resolved, That it is the sense of the National Board of Trade that Congress should enact laws revising the tariff as expeditiously as possible; further be it

Resolved, That we indorse the general principles of Senate Bill 3163 introduced by Senator Beveridge creating a permanent tariff commission.

XIV. FREE ART.

WHEREAS, It is important that every encouragement should be given to the education of the people in the fine arts; therefore be it

Resolved, That the National Board of Trade ask Congress to so amend the tariff law as to permit the importation of works of art free of duty when intended for public museums or art galleries.

XV. TARIFF WITH OUR POSSESSIONS.

The National Board of Trade considers the tariff status of our possessions abroad, the Philippine Islands, the Hawaiian Islands, Porto Rico, etc., should be settled at once, and calls upon Congress to clearly define the issue.

The existing position is unsatisfactory and unsettling to both our own and their interests, as well as adversely affecting our relations with other nations.

We should either have free exchange of commodities both ways, based on these possessions being an integral part of the United States, or an adjustment along the lines of individual interest.

XVI. TRADE TREATIES.

Resolved, That the National Board of Trade respectfully petitions the President and Congress of the United States to take immediate steps to bring about trade treaties between the United States and other countries upon broad business principles of reciprocal concessions.

XVII. CONSULAR SERVICE.

WHEREAS, We commend the action of the Fifty-ninth Congress tending to the improvement of our Consular service, but consider further legislation is necessary to place this important branch of the Government on the high plane of influence for the benefit of our foreign trade that is demanded by our citizens; therefore be it

Resolved, By the National Board of Trade that Congress be urged to enact laws providing that the merit system shall be extended to all branches of the service, and that Consuls shall be promoted, as vacancies occur, as far as possible from the lower to the higher grades.

Resolved, That Congress should provide for a school for the education of those desiring to enter the diplomatic and consular service.

Resolved, That an advance in the salaries paid our Consuls is absolutely essential and will tend to the benefit of the service. Also that an

annual appropriation shall be made by Congress for the purpose of purchasing permanent official residences abroad.

XVIII. LEGALIZING FREIGHT AGREEMENTS.

Resolved, That the National Board of Trade recommends to the Congress of the United States such amendments to the Interstate Commerce Commission Act as will permit proper railroad traffic agreements, such agreements to be inoperative if disapproved by the Interstate Commerce Commission.

XIX. OPPOSED TO GOVERNMENT OWNERSHIP OR OPERATION OF RAILWAYS.

Resolved, That the National Board of Trade deems that it would be highly inexpedient for the Government, State or Federal, to take under consideration at this time any proposition looking to the acquisition or operation of our railways.

XX. IRRIGATION AND FORESTRY.

WHEREAS, The great natural resources are being dissipated for the purpose of present profit without regard to the future; and

WHEREAS, The ordinary exercise of business methods and our duty to the generations of Americans who follow us, demand that all natural resources should be protected and utilized consistent with the most intelligent methods; and

WHEREAS, The continuation and development of foreign trade in manufactured goods depend largely on our ability to produce at the minimum of cost, it is therefore of vital importance that the waterways and waterpowers of the Southern Appalachian and White Mountain regions, where hundreds of millions of dollars are now invested in manufacturing enterprises, shall be conserved and perpetuated by protecting the forest cover of these regions; therefore be it

Resolved, That the National Board of Trade commends the policy of the administration in the preservation of the national forests and redemption of arid lands by irrigation, and recommends the increase of forest ownership and control by establishing the proposed Appalachian and White Mountain reserves, and recommends that the present session of Congress shall take favorable action thereon; that it also especially recommends that measures for reforestation be urgently pushed forward; it is also further

Resolved, That the National Board of Trade, appreciating the importance and value of accurate information as to the timber resources of the United States, recommends that such information be acquired

through the co-operation of the Census Bureau and the Forest Service by the census of 1910.

Resolved, further, That the National Board of Trade again urges upon Congress, as was done in the last message of the President to that body in relation to public lands, that it should, without further delay, pass the legislation to carry into effect, fully and effectually, all the recommendations of the Public Lands Commission, as made in their report heretofore approved by the President, and by him laid before Congress.

XXI. FEDERAL INSPECTION OF GRAIN.

WHEREAS, There are now pending in Congress bills authorizing the Secretary of the Department of Agriculture to establish a system of Federal inspection of grain intended to supersede the existing systems now controlled by the various States and commercial bodies of the country;

Resolved, That the National Board of Trade hereby records itself as unalterably opposed to the Federal inspection of grain, believing that the passage of any measure disturbing the existing systems of commercial inspection under which the grain trade of the country has been built up would be injurious to the best interests of the producer, dealer and foreign buyer.

XXII. CORPORATION LEGISLATION.

WHEREAS, The National Board of Trade recognizes the value and importance of incorporated capital in carrying on the industries of the country and in the development of projects too large for individual enterprise; be it therefore

Resolved, That the National Board of Trade deploras and deprecates any unnecessary agitation which stirs up class hatred and feeling, and hereby expresses its confidence in associations lawfully organized and conducted in the interests of the public.

Resolved, That a copy of these resolutions be sent to members of Congress and to the influential press of the country.

XXIII. NATIONAL INCORPORATION LAW.

WHEREAS, The prosperity of the United States is dependent upon its commercial activities, which activities are no longer confined to the limited areas within the several States, but essentially create interstate business too large for individual enterprise;

WHEREAS, Such commercial transactions necessitate incorporated capital, which alone can adequately meet the public need and secure the greatest benefit to both labor and capital; now, therefore be it

Resolved, That the National Board of Trade urges Congress to pass such legislation relative to the formation, capitalization, management and control of associations and labor engaged in commerce among the several States and with foreign nations and the insular possessions of the United States as shall preserve and promote individual initiative, competition and uniform legislation.

XXIV. EXPERIMENTAL COLD STORAGE PLANT.

WHEREAS, The Department of Agriculture is seriously hampered in its investigation of the effects of cold storage on the nutrient value and digestibility of food products by want of proper cold storage facilities; and

WHEREAS, These investigations are of the highest importance to the welfare of our nation in the determination of the time that each product can be preserved and the conditions under which it can be so preserved; therefore be it

Resolved, That the National Board of Trade hereby reaffirms and emphasizes its recommendations heretofore made: that Congress appropriate a sufficient sum to enable the department to construct, properly equip and maintain an experimental cold storage plant for this purpose.

XXV. COMMERCIAL EDUCATION.

Resolved, That the National Board of Trade reaffirms its belief in the need of increased facilities for commercial education in this country.

Resolved, further, That it is the sense of this body that such facilities are desirable, not only in our colleges and universities, but also in our public school system.

COMMITTEES.

WAYS AND MEANS.

JOHN M. HARPER, *Chairman*, Board of Trade, Philadelphia; WM. HARRIS DOUGLAS, Produce Exchange, New York; WM. H. TREEN, Board of Trade, Lynn, Mass.; EGISTO MARIANI, Italian Chamber of Commerce, New York; WM. J. COOPER, Board of Trade, Camden, N. J.; LUCIEN B. HALL, Chamber of Commerce, Cleveland, Ohio; DOUGLAS M. WYLIE, Chamber of Commerce, Baltimore, Md.

LAW.

F. L. HITCHCOCK, Board of Trade, Scranton, Pa.; CHAS. S. HAMLIN, Chamber of Commerce, Boston, Mass.; ERNEST W. ROBERTS, Board of Trade, Lynn, Mass.; JOSIAH MARVEL, Board of Trade, Wilmington, Del.; WM. T. ROLPH, Board of Trade, Philadelphia; DANIEL P. MORSE, National Shoe Wholesalers' Association.

FINANCE.

HENRY A. FRY, *Chairman*, Board of Trade, Philadelphia; W. ATLEE BURPEE, American Seed Trade Association, Philadelphia; E. R. CARHART, Produce Exchange, New York; JOHN M. NELSON, Board of Trade, Baltimore, Md.; GEO. F. DANIELS, New England Shoe and Leather Association; HENRY W. PEABODY, Chamber of Commerce, Boston, Mass.; DANIEL BAUGH, Commercial Museums, Philadelphia.

BANQUET.

HORACE WILSON, Board of Trade, Wilmington, Del.; N. B. KELLY, Trades League, Philadelphia; A. P. FARDON, Board of Trade, Washington, D. C.; C. ALFRED BURHORN, Board of Trade, Hoboken, N. J.; ROBERTO FALCHERO, Italian Chamber of Commerce, New York; JOSIAH MARVEL, Board of Trade, Wilmington, Del.

HIGHER COMMERCIAL EDUCATION.

J. W. KINNEAR, Chamber of Commerce, Pittsburg, Pa.; MAHLON N. KLINE, Trades League, Philadelphia; FREDERIC H. VIAUX, Associated Board of Trade, Boston, Mass.; THOMAS J. BRODNAX, Board of Trade, Kansas City, Mo.; WM. P. WILSON, Commercial Museums, Philadelphia; LOUIS MULLER, Chamber of Commerce, Baltimore, Md.; G. GROSVENOR DAWE, Commercial Club, Montgomery, Ala.

CROP REPORTS.

JAS. L. KING, *Chairman*, Commercial Exchange, Philadelphia; CHAS. ENGLAND, Chamber of Commerce, Baltimore, Md.; CHAS. B. LAWSON, North Side Board of Trade, New York; A. G. FORBES, Commercial Club, Montgomery, Ala.; EDWARD FLASH, JR., Produce Exchange, New York.

INQUIRY AND ADVISORY COMMITTEE ON AGRICULTURAL STATISTICS.

WM. S. HARVEY, *Chairman*, Commercial Museums, Philadelphia; C. B. MURRAY, Chamber of Commerce, Cincinnati; B. FRANK HOWARD, Board of Trade, Chicago; G. D. ROGERS, Chamber of Commerce Minneapolis; WILLIAM V. KING, Cotton Exchange, New York.

CONFERENCE WITH THE DEPARTMENT OF COMMERCE AND LABOR.

E. R. WOOD, *Chairman*, Board of Trade, Philadelphia; ANTONIO ZUCCA, Italian Chamber of Commerce, New York; R. G. BICKFORD, Chamber of Commerce, Newport News, Va; WM. T. ROBINSON, Board of Trade, Philadelphia; A M. READ, Commissioner, Washington, D. C.; H. T. NEWCOMB, Board of Trade, Washington, D. C.; PHILIP GODLEY, American Warehousemen's Association, Philadelphia; JOHN M. HARPER, Board of Trade, Philadelphia.

FORESTRY AND IRRIGATION.

W. S. HARVEY, *Chairman*, Commercial Museums, Philadelphia; S. B. VROOMAN, Board of Trade, Philadelphia; C. HENRY HATHAWAY, Board of Trade, Springfield, Mass.; IRENEE DU PONT, Board of Trade, Wilmington, Del.; G. GROSVENOR DAWE, Commercial Club, Montgomery, Ala.; H. C. REYNOLDS, Board of Trade, Scranton, Pa.

NOTE:—The list of committees appointed to consider subjects upon the Official Programme will be found on pages 56-60 of this report. The following are the chairmen selected by the committees named:—

American Merchant Marine, Mr. G. WALDO SMITH, New York; Interstate Commerce and Railroad Transportation, Mr. PHILIP GODLEY, Philadelphia; Uniform Bill of Lading, Mr. A. M. READ, Washington, D. C.; Consular Service, Mr. CHAS. S. HAMLIN, Boston; Postal Affairs, Mr. FINLEY ACKER, Philadelphia; Parcels Post, Mr. C. W. BURROWS, Cleveland; Postal Savings Banks, Mr. PHILIP GODLEY, Philadelphia; Tariff and Reciprocity, Mr. LOUIS MULLER, Baltimore; Customs Administrative Act, Mr. ANTONIO ZUCCA, New York; River and Harbor Improvement, Mr. HENRY A. FRY, Philadelphia; International Arbitration, Mr. P. M. ESTES, Nashville; National Currency, Mr. JOHN M. NELSON, Baltimore; Immigration, Mr. WM. P. WILSON, Philadelphia; Federal Inspection of Grain, Mr. E. L. ROGERS, Philadelphia; Corporation Legislation, Mr. ALFRED CLUM, Cleveland.

INDEX

A

Acker. Mr. Finley,	PAGE
Remarks of	115, 122, 142
American Merchant Marine,	
Report of Committee	95
Report Adopted	101
Anderson. Mr. A. T.,	
Remarks of	92, 129, 138, 183
Anderson. Mr. Wm. T.,	
Resolution Offered at Banquet	258
Appointment of Committees,	
Additional Authority Given the President	109

B

Bacon. Mr. Francis E.,	
Remarks of	155
Banquet,	
Announcement of	60
Report of	227
Burpee. Mr. Atlee,	
Remarks of	119, 120, 138
Burrows. Mr. C. W.,	
Remarks of	82, 122, 125, 147

C

Cannon. Hon. Jos. G., Speaker of the House,	
Address at Banquet	251
Carhart. Mr. E. R.,	
Remarks of	72
Carter. Mr. Jas. Richard,	
Remarks of	81, 111, 128, 129, 145
Civil Service for Thirteenth Census,	
Resolution	111
Resolution Adopted	112

Clum. Mr. Alfred,	PAGE
Remarks of	157, 182, 220
Commercial Education,	
Resolution Adopted	225
Commissioner,	
Report of	60
Committees,	
Appointment of	56
List of Standing	272
Consular Service,	
Report of Committee	192
Report Adopted	193
Corporation Legislation,	
Report of Committee	220
Report Adopted	221
Council,	
Report of	11
Election of	217
Credential Committee,	
Appointment of	1
Croxton. Mr. John G.,	
Remarks of	181
Currency,	
Report of	164
Report Adopted	174
Customs Administrative Act and Drawback System,	
Report of Committee	87
Report Adopted	95

D

Daniels. Mr. Geo. F.,	
Remarks of	190
Delegates,	
List of	2
Department of Construction Work,	
Consideration of Resolution	76
Referred to Special Committee	87
Dunbar. Mr. Everett H.,	
Remarks of	190
Douglass. Mr. Wm. Harris,	
Remarks of	96, 106, 186, 191

E

Edson. Mr. John Joy,	
Remarks of	106, 111
Election of Officers	112

INDEX.

277

Estes. Mr. P. M.,	PAGE:
Remarks of	94, 101, 158
Election First Vice-President	114
Experimental Cold Storage Plant,	
Preamble and Resolution Adopted	222

F

Fairbanks. Hon. C. W., Vice-President of the United States,	
Address at Banquet	228
Federal Inspection of Grain,	
Report of Committee Adopted	220
Fernley. Mr. T. J.,	
Remarks of	108, 116, 139, 155
Flash. Mr. Edw., Jr.,	
Remarks of	123, 129
Foreign Postage,	
Resolution	122
Forestry and Irrigation,	
Report of Committee	194
Report Adopted	216
Fry. Mr. Henry A.,	
Remarks of	72, 73

G

Gibson. Mr. Wm. H.,	
Remarks of	76, 82, 177, 192
Godley. Mr. Philip,	
Remarks of	137, 182, 216

H

Hamlin. Mr. Chas. S.,	
Remarks of	93, 169, 170, 179, 192
Harvey. Mr. Wm. S.,	
Remarks of	160
Hathaway. Mr. C. Henry,	
Remarks of	225
Haupt. Mr. Lewis M.,	
Remarks of	75, 80
Hitchcock. Mr. F. L.,	
Remarks of	126, 158, 170, 178
Hours of Meeting	60

I

	PAGE
Immigration,	
Report of Committee	108
Report Adopted	109
International Arbitration,	
Report of Committee	101
Amended Report	174
Report Adopted	175
Interstate Commerce,	
Report of Committee	193
Report Adopted	194
Irrigation,	
(See Forestry and Irrigation.)	
Italian Ambassador, His Excellency Baron Edmondo Mayer des Planches	
Address at Banquet	233

K

Kelly. Mr. N. B.,	
Remarks of	71, 84

L

La Lanne. Mr. Frank D.,	
Elected President	114
Opening Address	6
Remarks of	115
Remarks as Toastmaster	227, 231, 236, 240
Logan. Mr. A. J.,	
Remarks of	109

M

Mariana. Mr. Egisto,	
Remarks of	222
Marvel. Mr. Josiah,	
Remarks of	60
Maxwell. Mr. Geo. H.,	
Remarks of	145, 196, 212
Military Training in the Schools,	
Discussion of	177
Moore. Hon. J. Hampton,	
Address at Banquet	259
Morss. Mr. Daniel D.,	
Remarks of	84

